

JB63SC01

1 UNITED STATES DISTRICT COURT
2 SOUTHERN DISTRICT OF NEW YORK

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3 UNITED STATES OF AMERICA,

4 v.

17 CR 630 (ER)

5 MARK S. SCOTT,

6 Defendant.

7 -----x

8 New York, N.Y.
9 November 6, 2019
9:00 a.m.

10 Before:

11 HON. EDGARDO RAMOS,

12 District Judge

13 APPEARANCES

14
15 GEOFFREY S. BERMAN,

United States Attorney for the
Southern District of New York

16 CHRISTOPHER DiMASE

17 NICHOLAS FOLLY

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20 BY: ARLO DEVLIN-BROWN

KATRI STANLEY

21 -AND-

22 DAVID M. GARVIN

JB63SC01

(In open court; jury not present)

THE COURT: Do the parties have anything they want to discuss?

MR. FOLLY: Your Honor, I believe there are a couple of issues.

THE COURT: Sure.

MR. DEVLIN-BROWN: Good morning, your Honor. I think it is an issue we've largely resolved, but I do want to put it on the record for your Honor and sort of note our continuing concern about yesterday in which the witness, Mr. Ignatov, who has very little personal knowledge of Mark Scott, and also very little personal knowledge of, if any, of events before he joined OneCoin, was on the stand where numerous e-mails from 2014 between Ruja and Mr. Greenwood were shown. We objected, because there were no real questions offered to the witness. Sometimes a question was asked like -- probably exaggerating -- but the date of this e-mail is the date of this e-mail. Or this is an e-mail address for so-and-so.

We have concerns, particularly where they confuse the jury, it is not helpful to the jury where the witness has limited information. That said, we recognize your Honor has substantial discretion to allow that.

The government this morning has or last night has said we have some additional exhibits like that, one is I think from Locke Lord, a couple of others are from documents seized from

JB63SC01

1 Mr. Scott's computers. They are not on the stipulation we've
2 entered into, and therefore, they wouldn't be in evidence yet.
3 But, we don't want to gum up the works, so what we've told the
4 government is we're not, they can offer these things, we don't
5 dispute their authenticity, but we may object or we'd like to
6 object now, if we don't have to do it each time, your Honor, to
7 the relevance of showing such a document to the particular
8 witness if he's not on the document and there is no questions
9 about it and it has no relationship to his testimony.

10 We won't object as to authenticity about documents,
11 assuming the government will extend the same leeway in
12 cross-examination.

13 THE COURT: So presumably, these documents that they
14 are going to offer are admissible. You won't be objecting to
15 relevance.

16 MR. DEVLIN-BROWN: Not at all as to authenticity. On
17 occasion, we may object as to relevance.

18 MR. FOLLY: This was the same issue that was raised
19 yesterday which your Honor overruled those objections related
20 to this exact theme, which is displaying certain documents to
21 the witness where the witness does have some personal knowledge
22 of the participants in the e-mails, has been testifying and
23 providing relevant context to the OneCoin enterprise, events
24 surrounding it, and other similar issues. And there's no
25 objection from defense counsel that these documents are not

JB63SC01

1 relevant. These documents, many of them were within the scope
2 of the Court's motions in limine rulings where your Honor found
3 that these were clearly co-conspirator statements in
4 furtherance of the conspiracy. The documents are already in
5 evidence. The ones we are going to offer today are not yet,
6 but the ones from yesterday were.

7 And contrary to Mr. Devlin-Brown's assertion that this
8 would confuse the jury, it is designed to do precisely the
9 opposite and help the jury view evidence with some context
10 surrounding it, so it's not just at some portion in the trial
11 an endless stream of documents with no testimony surrounding
12 them, adding context to what's being shown to them.

13 So, this method of presentation to the jury is
14 designed to save the Court time, it's designed to make a clear
15 presentation to the jury. There is no dispute that these
16 documents are otherwise relevant. And we believe that this is
17 an appropriate way of publishing these exhibits to the jury.

18 THE COURT: Certainly, it is at least a little awkward
19 being shown all of these documents at a time when he was not
20 involved in the organization. But, trials are frequently
21 awkward. The way in which things come in are subject to the
22 rules, and it is not as though any litigant is allowed to put
23 something in in the fashion that would make most sense.

24 So, from my perspective, if a document is relevant, if
25 it's authentic, it comes into evidence. Once it's in evidence,

JB63SC01

1 the government or any party can use it in whatever appropriate
2 manner. I take the point that it is a little awkward.

3 The other thing I wanted to note is something that
4 I've never seen before, is that these e-mails are being
5 presented to the jury and no one is reading them. They're just
6 sort put on the screen for some period of time and taken down.
7 If Mr. Folly and Mr. Ignatov were reading them, you might have
8 an objection to that. Generally speaking, when things like
9 that are presented, it's read. But, I'll leave that up to you
10 and your particular style.

11 MR. DEVLIN-BROWN: Understood that's advice to the
12 government. Our preference and view, and I think least
13 confusing to the jury, would be for them with the Greenwood
14 e-mails to put an agent on the stand or a paralegal, and read
15 them in that fashion when it's quite clear to the jury that the
16 particular witness has no questions about, no answers about
17 those documents and they're just being presented as they are.

18 THE COURT: They could do that, too. It's not
19 inappropriate for them to do it in the way they are doing it.

20 MR. DEVLIN-BROWN: Understood.

21 THE COURT: Anything else?

22 MR. FOLLY: One additional issue is that defense
23 counsel intends to potentially offer Defense Exhibit 111, which
24 is a OneCoin blockchain audit report.

25 THE COURT: What was it? What report?

JB63SC01

1 MR. FOLLY: OneCoin audit report of the blockchain.

2 THE COURT: Okay.

3 MR. FOLLY: I'm happy to pass up this copy if you'd
4 like to see it.

5 THE COURT: Please. Is this the report that
6 Mr. Ignatov testified about yesterday that was actually created
7 internally?

8 MR. DEVLIN-BROWN: I believe it is, your Honor. Our
9 intention, he did testify about a report that was created, the
10 doctor really published it internally. It was published on the
11 OneCoin website, periodically updated. We ask to show it to
12 him, if he recognizes it as such, and offer it into evidence.

13 THE COURT: Okay.

14 MR. FOLLY: Your Honor, to my knowledge, he has never
15 seen the audit report. But that's really a separate issue as
16 to whether Mr. Devlin-Brown could actually admit that document.
17 The bigger issue is that there's no evidence that we are aware
18 of that Mr. Scott ever saw that audit report.

19 And this goes back to issues that were raised in the
20 motions in limine, we moved on this issue, we had concerns that
21 at trial, the defense would try to introduce legal opinions or
22 audits or other similar reports that the defendant never saw.
23 If he never saw them, as the defense conceded in their motion
24 in limine opposition, there's no basis for it to go into
25 evidence.

JB63SC01

1 The whole issue at trial is what Mark Scott knew at
2 the time. And if there is no evidence he saw this, then it's
3 irrelevant to his state of mind.

4 This is the exact same type of evidence that the
5 defense tried to prevent us from introducing, putting a witness
6 on the stand who would testify that they did Google research
7 and concluded within 10, 15 minutes that this was a fraud
8 scheme. If one of those can come in, then the other can come
9 in. And at present, based on your Honor's ruling, none of them
10 can come in.

11 THE COURT: Mr. Devlin-Brown.

12 MR. DEVLIN-BROWN: I think the sort of bright line
13 that Mr. Folly is trying to carve here doesn't really make
14 sense.

15 So to be clear, your Honor, we wouldn't be offering
16 that or arguing that Mr. Scott saw that document. But, the
17 government has put on extensive information through this
18 witness that OneCoin took steps to deceive the public as to
19 whether it was a real cryptocurrency. He actually testified
20 that one of the things they did is have a fake audit report.
21 He testified that that fooled him, and that is going to be a
22 theme on cross, that he was fooled for a long time. So, it's
23 evidence of the very point that the government is trying to
24 bring out on direct examination, and if the witness has seen
25 it, it seems appropriate to offer it into evidence.

JB63SC01

1 THE COURT: Is it the case -- I'm looking at it very
2 quickly -- that this audit concludes that everything that's
3 going on at OneCoin is legitimate and proper?

4 MR. DEVLIN-BROWN: Yes, your Honor.

5 THE COURT: I guess the only question that I would
6 have for you, Mr. Devlin-Brown, is will you be arguing that,
7 based at least in part on this document, that Mr. Scott had no
8 reason to believe that what was going on at OneCoin was
9 fraudulent?

10 MR. DEVLIN-BROWN: I won't be arguing that based on
11 that document he had no reason to believe what was going on was
12 fraudulent.

13 MR. FOLLY: If I may. This is a theme that already
14 came up in the opening statements. There was argument
15 suggesting that OneCoin was hiding from the public specific
16 aspects of the fraud, such as whether or not its blockchain was
17 legitimate. And the argument and the inference was that
18 Mr. Scott had no way of knowing this was a fraud because he did
19 not know that the blockchain, specifically, was not in fact a
20 real blockchain. That was -- that argument already landed at
21 this trial and I think it's clearly an avenue that the defense
22 is pursuing.

23 And they conceded in their opposition motion, they
24 said following this principle, the defense has no objection to
25 the government's request that the Court preclude any evidence

JB63SC01

1 offered by the defendant for the purpose of establishing his
2 state of mind regarding OneCoin's legality, absent proof he was
3 aware of such evidence.

4 Absent that proof in this trial, there is no other
5 relevance to a lengthy audit report that states that OneCoin's
6 blockchain was legitimate. It's clear what he's trying to do
7 is show the jury, look, there was this report that was shown to
8 the public, and Mr. Scott therefore could not have possibly
9 known that this blockchain was not legitimate.

10 THE COURT: He's saying he's not going to be arguing
11 that based on this document. Didn't Mr. Ignatov testify
12 yesterday that this report was prepared, it was fraudulently
13 prepared, and it was put up on the website?

14 MR. FOLLY: Your Honor, he did. There's no other
15 relevance to offering this report, other than to make the exact
16 point which I've articulated, and he has proffered no other
17 relevance of offering this report. The testimony is there.
18 What it has to do with Scott's knowledge, the only issue
19 apparently in dispute at this trial, is entirely unclear.

20 If there was a proffer as to what this has to do with
21 his knowledge or state of mind, I think we should hear that.
22 But absent that, just putting this document out there and
23 letting the jury draw the inference that Scott was relying in
24 some way on information that was publicly available such as
25 this audit report, would be completely misleading.

JB63SC01

1 THE COURT: The defense, as I understand it, is that
2 OneCoin, to the extent that it was a fraudulent enterprise, was
3 assiduously attempting to cover up that fact through various
4 means. And Mr. Ignatov obviously has information suggesting
5 that was what they were doing and they were largely successful,
6 or at least partly successful in doing that. He's already
7 testified that this report was prepared. He's testified it was
8 put up on the website. The jury can make the inference based
9 on that, that Mr. Scott was aware that this report was out
10 there. I don't see how it hurts the government at all, based
11 on what's been argued.

12 MR. FOLLY: Your Honor, we're not disputing that
13 defense should be allowed to cross-examine Mr. Ignatov about
14 the fact that this was basically a phony report and that
15 OneCoin was deceiving the public about it. It's more about
16 putting things into evidence that were in the public domain
17 that Scott may or may not have relied on to show a state of
18 mind. That's the issue.

19 We could have put other witnesses on such as
20 Mr. Hatley who said he did Google research, came across things
21 showing within minutes that OneCoin was a big fraud scheme, and
22 your Honor was very concerned that the jury would take away
23 from that that Mr. Scott should have figured that out. And
24 that's the exact -- it is the opposite of the situation with
25 the audit. Putting the audit into evidence is going to leave

JB63SC01

1 the jury with the misimpression that it was relevant to Scott's
2 state of mind.

3 THE COURT: Except we have a representation from
4 counsel that's not going to be the argument.

5 MR. FOLLY: Your Honor, even in their openings that
6 was part of the theme of their argument. So that is
7 inconsistent with the strategy they have already pursued.

8 THE COURT: I guess my view is that it's one thing for
9 me to have decided you're not going to put in particular pieces
10 of evidence which can only be subject to one reasonable
11 inference. But here we have a particular piece of evidence,
12 that's already before the jury, the fact of this report. And
13 we have before the jury the fact that it was on the website.
14 Putting this particular document in is not going to do anything
15 more than what the government has already put before the jury.
16 And to say that he can't make arguments, Mr. Scott can't make
17 arguments concerning particular documents he hasn't seen is not
18 to say that he can't make arguments generally that he was
19 unaware of the fraudulent nature of the enterprise. That's why
20 we're here. That's why we're having this trial, right? He's
21 allowed to say that.

22 MR. FOLLY: Absolutely, your Honor. And we don't see
23 how this document bears on that precise argument.

24 THE COURT: Okay. Your objection to this is
25 overruled. Or rather, yes, overruled.

JB63SC01

1 MR. DEVLIN-BROWN: Thank you, your Honor.

2 MR. FOLLY: Just to be clear, we understand our
3 objection is overruled as to relevancy. We still may have an
4 objection as to whether this witness can authenticate it.

5 THE COURT: Fair.

6 MR. DEVLIN-BROWN: Okay. And I'll represent just for
7 purposes, this was e-mailed by people at OneCoin to Robert
8 Courtneidge at Locke Lord, so there is not going to be a
9 dispute as to authenticity.

10 THE COURT: You can give this back. Anything else?

11 MR. DEVLIN-BROWN: Not at this time, your Honor.

12 THE COURT: Be short. I'll be holding you to your
13 representation.

14 MR. DEVLIN-BROWN: Exactly, your Honor. Not to try to
15 talk myself out of the ruling, but just to I think give context
16 and hopefully assure the government we're not going to do
17 something improper. The Court was right to exclude Mr. Hatley
18 who has no connection with the case and who would say I Googled
19 it and thought it was a fraud. Applying that to the defense, I
20 think, means we can't call a witness out of the public who
21 says, wow, I spent a lot of time researching it, and I thought
22 it was legit. That was irrelevant to Mr. Scott's state of
23 mind. It would improper for us to take a legal opinion that
24 Mr. Scott's never seen that this was secret in the OneCoin
25 archives and argue to the jury that he would have been aware of

JB63SC01

1 it. But there may be reasons why, for particular witnesses,
2 particular documents have relevance, and I think we can just
3 proceed on a case-by-case basis.

4 THE COURT: That's right.

5 Alternate No. 4 is running late.

6 (Pause)

7 THE COURT: All the jurors are here. Can we have
8 Mr. Ignatov be brought out. Everyone ready to go?

9 MR. DEVLIN-BROWN: Yes, your Honor.

10 MS. LOZANO: Yes, your Honor.

11 (Continued on next page)
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JB63SC01

Ignatov - Direct

1 (Jury present)

2 THE COURT: Ladies and gentlemen of the jury, good
3 morning. I trust everyone had a pleasant evening.

4 We will now continue with the direct examination of
5 Mr. Ignatov. Mr. Ignatov, you are reminded that you are still
6 under oath.

7 THE WITNESS: Yes.

8 THE COURT: Mr. Folly.

9 MR. FOLLY: Thank you, your Honor.

10 KONSTANTIN IGNATOV,

11 called as a witness by the Government,

12 having been previously sworn, testified as follows:

13 DIRECT EXAMINATION (Continued)

14 BY MR. FOLLY:

15 Q. Mr. Ignatov, you mentioned yesterday that there came a time
16 when your sister Ruja disappeared. Is that right?

17 A. Yes, this was in October 2017.

18 Q. We'll come back and discuss the details of that shortly.
19 After Ruja disappeared, did you continue working at OneCoin?

20 A. Yes, I did.

21 Q. Where were you living at that time of Ruja's disappearance?

22 A. I was living in one of Ruja's mansions.

23 Q. Did you own that property or was it Ruja's?

24 A. It was Ruja's.

25 Q. Did Ruja give you anything else of value during the time

JB63SC01

Ignatov - Direct

1 that you worked for OneCoin?

2 A. One time, she bought me clothes from more expensive brands
3 because she said she doesn't want to be embarrassed anymore
4 when I'm around her friends and business partners. And the
5 other time, she gave me a house as a present where my parents
6 live in.

7 Q. The house that you just mentioned that she gave you as a
8 present, approximately how much was that house worth?

9 A. 150 to 180,000.

10 THE COURT: Is that euros?

11 THE WITNESS: Dollars.

12 Q. After your sister disappeared, did your position at OneCoin
13 change or did it remain the same?

14 A. It changed.

15 Q. How did it change?

16 A. I became one of the top leaders in OneCoin.

17 Q. After you became one of OneCoin's top leaders, did your
18 salary change or remain the same?

19 A. It remained the same.

20 Q. What were some of your main responsibilities as one of
21 OneCoin's top leaders?

22 A. I was presenting on network events, I was meeting people
23 from the network, and I had some decision-making abilities.

24 Q. When you say decision-making abilities, what types of
25 decisions were you responsible for?

JB63SC01

Ignatov - Direct

1 A. For example, marketing, or release and hiring of employees.

2 Q. During this time period, were you in touch with Ruja?

3 A. No.

4 Q. Did you make representations that you were in touch with
5 Ruja?

6 A. Yes, I did.

7 Q. Why did you make those representations?

8 A. In front of the network so that everybody thinks that
9 everything in the company is still going, and everything is
10 okay.

11 Q. Who did you make those representations that you were still
12 in touch with Ruja to?

13 A. To everybody except my parents.

14 Q. As one of the company's top leaders, did you help to keep
15 the fraud scheme going?

16 A. Yes.

17 Q. What types of things did you do to help keep the fraud
18 scheme going?

19 A. I was, for example, presenting at OneCoin events,
20 mentioning that I'm still in touch with Ruja, that she's still
21 in the decision-making process involved, and I promised things
22 to happen at certain dates.

23 Q. When you say you promised things to happen at certain
24 dates, what types of things did you promise?

25 A. For example, the opening of the exchange.

JB63SC01

Ignatov - Direct

1 Q. Did OneCoin ever make good on that promise to open up an
2 exchange?

3 A. No.

4 Q. Prior to Ruja's disappearance, were any of OneCoin's
5 investors dissatisfied with the company?

6 A. Yes, many of them.

7 Q. In what ways were they dissatisfied?

8 A. That promises were made that were never kept.

9 Q. Focusing on the dissatisfaction of OneCoin's investors, did
10 that change or remain the same after Ruja disappeared?

11 A. It got even worse after she disappeared.

12 Q. In what ways did it get worse?

13 A. For example, beginning of 2018, it started that I get
14 various death threats on the phone. People telling me that if
15 something goes wrong with OneCoin, or for the promises are not
16 fulfilled, that they will kill me.

17 Q. In addition to those threats that were made to you on the
18 phone, were there any other threats that were made against you?

19 A. Yes. The first one was in March 2018 when I wanted to go
20 back to my car after working. Somebody put a gun in my back
21 and I was forced into a minivan. Then I was taken out to the
22 suburbs of Sofia where I got beaten up, a finger of mine was
23 broken, and a gun was pointed out me. And I was told if Ruja
24 disappeared with the money, that these people would come back
25 and kill me. And if I go to the police, that they will cut a

JB63SC01

Ignatov - Direct

1 body part out of me.

2 Q. Were there any other similar incidents that happened to
3 you?

4 A. In fall of the same year, I got a call from a person who
5 identified himself as a high-ranking member of the Hells Angels
6 telling me I have to come to Zurich, Switzerland, to answer him
7 and his business partners' questions. And if I don't come, he
8 said that this will have a bad ending for me.

9 So I went there, where I ended up with them in a hotel
10 room. Again, a gun was pointed at me. This time, it was stuck
11 into my mouth. And I was told that I have to make sure that
12 every promise that is made to them has to be fulfilled, and
13 they told me that the money they invested into the company is
14 far more worth than my life.

15 Q. After those incidents, did you continue to work for
16 OneCoin?

17 A. Yes.

18 Q. During the time period you worked for OneCoin, did you
19 learn about anyone who was arrested connected to OneCoin?

20 A. Yes, for example, Mark Scott, Sebastian Greenwood, and I
21 heard about various leaders from the network that got arrested.

22 Q. Did you have an understanding of the types of crimes that
23 some of those people were charged with?

24 A. In most cases, it was fraud.

25 Q. During the time period you worked for OneCoin, did you

JB63SC01

Ignatov - Direct

1 learn about any bribes that were paid connected to OneCoin?

2 A. Yes. I heard that, especially in Asia, bribes have been
3 paid.

4 Q. I want to jump ahead for a moment and direct your attention
5 to 2019. Did there come a time when you traveled to the United
6 States in 2019?

7 A. Yes, it was end of February 2019.

8 Q. Were you still working for OneCoin at that time?

9 A. Yes, I did.

10 Q. What was your role at the company?

11 A. I was one of the top leaders at this time.

12 Q. What was the purpose of that trip to the United States?

13 A. I wanted to have some meetings with some people from the
14 network, and I want to attend two presentations about the
15 future of e-commerce in the U.S.A.

16 Q. When you referred to meetings with people connected to the
17 network, were those some of the other leaders in OneCoin?

18 A. Yes.

19 Q. Where did you travel to on this trip?

20 A. First I landed in San Francisco, then to Las Vegas, and in
21 the end Los Angeles.

22 Q. What happened when you first arrived at the San Francisco
23 airport?

24 A. I was stop by an agent from the border patrol.

25 Q. What happened when you got stopped by the agent from the

JB63SC01

Ignatov - Direct

1 border patrol?

2 A. He was questioning me, and he took my phone and my
3 computer.

4 Q. Were you truthful in answering that agent's questions?

5 A. No, I wasn't.

6 Q. What types of things were you untruthful about?

7 A. About the purpose of my visit, and who I'm working for.

8 Q. Why weren't you truthful about the purpose of your visit
9 and who you were working for?

10 A. Because I knew that I was working for a fraud scheme, and I
11 didn't want to get arrested.

12 Q. You mentioned that the agents took your phone and your
13 computer at that time; is that correct?

14 A. Yes.

15 Q. What happened to those items after the agents took them?

16 A. They kept the phone, and gave me my computer back.

17 Q. After you got your computer back, what did you do with it?

18 A. I threw it away.

19 Q. Can you describe exactly what you did.

20 A. When I was in Las Vegas, I put it into a paper trash bag
21 with other trash items, and I took it to a trash bin on a busy
22 place in the Las Vegas Strip, and I threw it into the trash bin
23 there.

24 Q. Why did you do that?

25 A. Because I was afraid that somebody might find more evidence

JB63SC01

Ignatov - Direct

1 connecting me to OneCoin.

2 Q. What did you do while you were in Las Vegas?

3 A. I had some meetings with people from the OneLife network.

4 And then I attended two meetings that were intended to be about
5 the future of e-commerce in the U.S.A., but in fact, in the end
6 it was shown that these people that I met just wanted to
7 implement a new Ponzi scheme in OneCoin.

8 Q. What was the nature of the new Ponzi scheme they wanted to
9 implement?

10 A. It was called pump the volume. And it is promising the
11 OneCoin members that already have packages in coins, that their
12 money will increase thousand fold if they put some more money
13 as an investment into the company.

14 Q. Approximately how long was your trip to Las Vegas?

15 A. Around three days.

16 Q. What airport were you supposed to fly out of at the end of
17 your trip?

18 A. LAX in Los Angeles.

19 Q. What happened when you arrived at the Los Angeles airport?

20 A. I got arrested by the FBI.

21 Q. Were you interviewed after you were placed under arrest?

22 A. Yes.

23 Q. Were you truthful during that interview?

24 A. No.

25 Q. What types of things were you untruthful about?

JB63SC01

Ignatov - Direct

1 A. About almost everything.

2 Q. Why weren't you truthful during your interview with those
3 law enforcement agents?

4 A. Because I saw the things are now getting very, very
5 serious, and I started to panic and was very afraid of going to
6 jail.

7 Q. After you were arrested, did you eventually decide to start
8 cooperating with the government?

9 A. Yes, around three to four months after my arrest.

10 Q. Prior to cooperating with the government, did you make a
11 bail application in this case?

12 A. Yes, I did.

13 Q. Was your application granted or was it denied?

14 A. It was denied.

15 Q. After your bail was denied, did you start to meet with the
16 government?

17 A. Yes, I did.

18 Q. Around how many times have you met with the government?

19 A. Around 20 times.

20 Q. Were you truthful in those meetings with the government?

21 A. Yes.

22 Q. Was every one of those meetings to prepare to testify at
23 this trial or were some of those meetings for the government to
24 gather information?

25 A. Both.

JB63SC01

Ignatov - Direct

1 Q. Did you provide the government with information during
2 those meetings?

3 A. Yes, I did.

4 Q. What type of information did you provide the government
5 with?

6 A. About the crimes I committed, and every information I had
7 about OneCoin, and the people related and the crimes that were
8 committed in there.

9 Q. Did some of those crimes that other people committed relate
10 to members of your own family?

11 A. Yes, to my sister and to my mother.

12 Q. Did you eventually plead guilty to the charges in your
13 case?

14 A. Yes.

15 Q. What crimes did you plead guilty to?

16 A. Conspiracy to wire fraud, wire fraud, conspiracy to money
17 laundering, and conspiracy to bank fraud.

18 Q. Starting first with the wire fraud crimes. What made you
19 guilty of those crimes?

20 A. I was working for the fraud scheme OneCoin, making false
21 representations to investors to get their money.

22 Q. Turning to the bank fraud and money laundering crimes, what
23 made you guilty of those crimes?

24 A. People in OneCoin were lying to banks about origins of
25 funds, and where they are going to.

JB63SC01

Ignatov - Direct

1 Q. What is the maximum sentence the judge can give you as a
2 result of your guilty plea?

3 A. 90 years.

4 Q. When you pled guilty, did you enter into a cooperation
5 agreement with the government?

6 A. Yes.

7 MR. FOLLY: Mr. Barile, if you can show the witness
8 what's been marked for identification as Government Exhibit 901
9 and flip through the pages there.

10 Q. Mr. Ignatov, do you recognize that document?

11 A. Yes, this is my cooperation agreement.

12 MR. FOLLY: The government offers Government Exhibit
13 901.

14 MR. DEVLIN-BROWN: No objection.

15 THE COURT: 901 will be received.

16 (Government's Exhibit 901 received in evidence)

17 MR. FOLLY: We can just publish the first page and
18 just quickly go through those pages. We can take that down.

19 Q. Mr. Ignatov, what are your obligations under this
20 cooperation agreement?

21 A. To be truthful in the meetings, to meet as often as the
22 government wants me to with them, and to be truthful here in my
23 testimony.

24 Q. If you meet your obligation under that agreement, what is
25 your understanding of what the government will do?

JB63SC01

Ignatov - Direct

1 A. Write me a 5K1 letter.

2 Q. What is your understanding of who writes that letter?

3 A. The prosecutors, you.

4 Q. What is your understanding of who receives that letter?

5 A. The judge.

6 Q. When you say the judge, is that the judge who will sentence
7 you in your case?

8 A. Yes.

9 Q. What is your understanding of what information will go into
10 that letter?

11 A. The information in the letter is if I've been truthful, how
12 often I met with the government, and every type of assistance I
13 gave. And on the other side, all the crimes I committed.

14 Q. Have you been promised any particular sentence as you sit
15 here today?

16 A. No.

17 Q. Have you been promised that the government will write that
18 letter as you sit here today?

19 A. No.

20 Q. What is your understanding of what happens if you do not
21 tell the truth in testifying before this court?

22 A. I will not get this letter, and I will risk my whole
23 cooperation agreement.

24 Q. To your understanding, does the outcome of this trial
25 affect you getting that letter that we've been discussing?

JB63SC01

Ignatov - Direct

1 A. No, it doesn't. All I have to do here is testify
2 truthfully.

3 Q. Mr. Ignatov, I want to switch topics and focus on how the
4 OneCoin investors would purchase those OneCoin packages that
5 you discussed yesterday.

6 MR. FOLLY: Mr. Barile, if you can publish what's in
7 evidence as Government Exhibit 119.

8 Q. Mr. Ignatov, if a OneCoin investor wanted to purchase one
9 of those packages, how would they go about doing that?

10 A. Either via the home page, or they go to one of the offices,
11 for example, Hong Kong, Sofia, Dubai, or they purchase it via
12 one of the networkers.

13 Q. What methods of payment could they use to make those
14 purchases?

15 A. Cash and bank wire.

16 Q. Let's start first with the cash payments that were used by
17 the OneCoin packages. When OneCoin customers would pay cash,
18 what was the process for making those payments?

19 A. They would bring the cash to an office, let's say the Sofia
20 office. Yesterday we had a look at the crypto center. There
21 was this reception desk. They go there to the lady who is
22 working, and she calls somebody from the accounting downstairs
23 where the people that want to purchase the package give the
24 money, and receive a code for the educational package.

25 Q. If the customer came to the OneCoin office in Sofia to make

JB63SC01

Ignatov - Direct

1 a cash purchase for a package, where would that cash go?

2 A. After he received his receipt, and the code, the person
3 from the accounting would take the money upstairs to the third
4 floor where the safe is.

5 Q. You mentioned that there was a safe; is that right?

6 A. Yes, it's the size of a little room with thicker floors and
7 a special security door, and inside there are some shelves and
8 another safe that is more or less as big as a big refrigerator.

9 Q. What was stored inside of the safe that was the size of a
10 large refrigerator?

11 A. Some documents, but most of it was just money.

12 Q. Was that cash money?

13 A. Yes.

14 Q. You mentioned earlier that when OneCoin customers would pay
15 in cash, they would receive something called codes. What were
16 were you referring to?

17 A. With these codes, they can get their educational package at
18 the home page.

19 Q. What can those educational packages be used for?

20 A. To generate coins in the end.

21 Q. What were the coins used for?

22 A. Nothing.

23 Q. Could those coins -- sorry. Just to go back to the steps.

24 After the OneCoin customers got the educational
25 materials, what would they get with those educational

JB63SC01

Ignatov - Direct

1 materials?

2 A. Free tokens.

3 Q. What could they do with the tokens?

4 A. Via mining, generate coins.

5 Q. Generally, was there a large or a small amount of cash
6 inside of that safe that you referenced?

7 MR. DEVLIN-BROWN: Objection.

8 THE COURT: Overruled.

9 Q. You can answer, Mr. Ignatov.

10 A. As long as Ruja was there, the safe was almost completely
11 full of cash.

12 MR. FOLLY: Your Honor, at this time the government
13 would offer the following e-mails: 4102, 2115, 2114, and 2004.

14 THE COURT: Any objection?

15 MR. DEVLIN-BROWN: Just a moment. No objection beyond
16 what was raised earlier, your Honor.

17 THE COURT: Very well. Those exhibits will be
18 received.

19 (Government's Exhibit 4102, 2115, 2114, 2004 received
20 in evidence)

21 MR. FOLLY: Mr. Barile, if you can publish to the
22 witness and the jury what's in evidence as Government Exhibit
23 2004. You can zoom in initially on the bottom portion of the
24 e-mail.

25 Looking at the header it is an e-mail from Mark Scott

JB63SC01

Ignatov - Direct

1 to Dr. Ruja. Sorry. Could you zoom back out. If you can
2 start at the second page and zoom in at the top to the first
3 e-mail there.

4 It is an e-mail dated March 4, 2016, from
5 Mark.Scott -- sorry from Ruja@OneCoin.eu to
6 Mark.Scott@LockeLord and RCourtneidge@LockeLord. It says "All,
7 I have some cash with me. About 220 GBP. Can you store it for
8 me in London. Best. R."

9 Now if we could go to the first page to the response.
10 From Mark Scott to Dr. Ruja and Robert Courtneidge. "Hi, Ruja.
11 Let's discuss during our call today."

12 You can scroll up to the next response from R.
13 Courtneidge to Mark Scott. "Mark, did you resolve this?" And
14 then the response from Mark Scott, "Yes. Thanks."

15 You can take that down.

16 Q. Mr. Ignatov, in addition to using cash from the safe, was
17 there any other cash that Ruja would use?

18 A. Could you rephrase the question, please?

19 Q. Yes. Were there any other occasions where you observed
20 Ruja with large sums of cash?

21 A. Yes. Very often when she went shopping, for example.

22 Q. Did you ever observe where that cash came from?

23 A. One time, it was in Hong Kong, I've seen Fernando Rhys
24 bringing her a backpack full of cash.

25 Q. You mentioned someone named Fernando Rhys who brought that

JB63SC01

Ignatov - Direct

1 backpack full of cash. Who was he?

2 A. He was a high-ranked member of the network, and also the
3 office manager of the Hong Kong office.

4 Q. When you say high-ranked member of the network and manager
5 of the Hong Kong office, were those both connected to OneCoin?

6 A. Yes.

7 Q. Did OneCoin have an office in Hong Kong at that time?

8 A. Yes, and he was the manager of it.

9 Q. Can you describe what happened when he brought that cash?

10 A. It was in the Ritz Carlton in Hong Kong. Ruja told me that
11 Fernando will come because he owes her some money. And then he
12 came with his assistant and his bodyguards, and he left there a
13 big backpack that was full of cash.

14 Q. Approximately how much money was inside of the backpack?

15 A. It was more than one million Hong Kong dollars.

16 Q. Did you receive any of that money?

17 A. No.

18 Q. What did Ruja do with the money?

19 A. She went shopping in a luxury mall.

20 Q. Was it common or rare for Ruja to go shopping?

21 A. It was very, very common for her.

22 Q. What types items did she buy?

23 A. Clothes only from the most expensive designers, a lot of
24 jewelry, but she also bought a lot of cars, she had a lot of
25 mansions and a yacht.

JB63SC01

Ignatov - Direct

1 Q. You mentioned that Ruja would buy jewelry. Do you know how
2 much any of the jewelry cost that she purchased?

3 A. I know that the most expensive items she owns are more than
4 one million each.

5 Q. From 2015 through 2017, what was Ruja's source of income?

6 A. She was running OneCoin.

7 Q. You mentioned a moment ago that Ruja also bought mansions;
8 is that correct?

9 A. Yes.

10 Q. What properties did Ruja buy during the time period between
11 2015 and 2017?

12 A. The London penthouse we were talking about yesterday. She
13 bought another penthouse in Dubai. A mansion in Dubai. A big
14 mansion at the seaside of Bulgaria. Big mansion for her
15 husband in Frankfurt, Germany, and various mansions in Sofia,
16 Bulgaria.

17 MR. FOLLY: You can show the witness what's been
18 marked as Government Exhibit 118. If we could just page
19 through those exhibits, those pages for the witness.

20 Q. Mr. Ignatov, do you recognize those?

21 A. Yes, this is a Christening party of Ruja's daughter Davina
22 in Ruja's property in Sozopol at the seaside in Bulgaria.

23 MR. FOLLY: The government offers Government Exhibit
24 118.

25 MR. DEVLIN-BROWN: No objection.

JB63SC01

Ignatov - Direct

1 THE COURT: 118 will be received.

2 (Government's Exhibit 118 received in evidence)

3 MR. FOLLY: If we can publish pages one and two, side
4 by side.

5 Q. Mr. Ignatov, what's shown in these two photographs?

6 A. You see the property and the pool of the mansion in
7 Sozopol.

8 Q. In total, approximately how many properties did Ruja
9 purchase from 2015 until 2017?

10 A. Approximately eight.

11 Q. You mentioned a moment ago that Ruja also bought properties
12 in Dubai; is that correct?

13 A. Yes.

14 Q. Did you ever visit either of those properties?

15 A. I spent one night in the penthouse, and I seen the mansion,
16 but it was still under construction so it wasn't finished yet.

17 Q. Do you know approximately how much the mansion cost?

18 A. I heard her talking about 20 million.

19 Q. You also mentioned that Ruja bought cars during this time
20 period. Is that right?

21 A. Yes.

22 Q. What types of cars did Ruja buy?

23 A. She had a Rolls Royce, a Bentley, a Porsche, and an armored
24 Lexus.

25 Q. The last one you mentioned was an armored Lexus. Is that

JB63SC01

Ignatov - Direct

1 right?

2 A. Yes.

3 Q. Did you have any conversations with her about that car?

4 A. Ruja was always very afraid that somebody might kidnap her
5 daughter.

6 Q. I believe you also mentioned earlier that Ruja purchased a
7 yacht. Is that correct?

8 A. Yes.

9 Q. Where did she keep her yacht?

10 A. At the seaside of Bulgaria near her mansion.

11 MR. FOLLY: You can show the witness what's been
12 marked as Government Exhibit 120. If we could just page
13 through.

14 Q. Mr. Ignatov, do you recognize the photos in that exhibit?

15 A. Yes, these are pictures of Ruja's yacht named after her
16 daughter.

17 MR. FOLLY: The government offers Government Exhibit
18 120.

19 MR. DEVLIN-BROWN: No objection.

20 THE COURT: 120 will be received.

21 (Government's Exhibit 120 received in evidence)

22 Q. Mr. Ignatov, you mentioned that the yacht was named after
23 Ruja's daughter. Is that correct?

24 A. Yes.

25 Q. What was her daughter's name?

JB63SC01

Ignatov - Direct

1 A. Davina.

2 Q. Approximately how much money did Ruja make from OneCoin
3 before she disappeared?

4 A. Over 500 million.

5 Q. Where did that money come from?

6 A. From OneCoin investors.

7 Q. Was any of that money that Ruja made by investing in
8 OneCoins?

9 A. Can you rephrase the question?

10 Q. The money that you referenced, you said it came from
11 OneCoin investors. Is that correct?

12 A. Yes.

13 Q. Did Ruja make any of that money by investing herself into
14 OneCoins?

15 A. No.

16 Q. Did you make any money yourself by investing into OneCoins?

17 A. I never invested into OneCoin.

18 Q. Did she ever invest in OneCoins?

19 A. No.

20 Q. I'm going to switch topics and ask you about a company you
21 mentioned yesterday called RavenR. What was RavenR?

22 A. RavenR is an investment company of Ruja based in London.

23 Q. Approximately how many people worked for RavenR?

24 A. Around 10.

25 Q. Where was the RavenR office located?

JB63SC01

Ignatov - Direct

1 A. It is pretty central in London, I think it was at the
2 Knightsbridge.

3 Q. When you said that RavenR was Ruja's investment company,
4 what did you mean by that?

5 A. This company invested funds that were made from OneCoin
6 investors.

7 Q. Who were some of the individuals who worked for RavenR?

8 A. For example, Duncan Arthur, Joanna Allinson, Gary Gilford,
9 Max Bon Arin, Najib Kassis, and two Russian gentlemen, Anton
10 and Anatoly.

11 Q. Just to go back over the individuals, I believe you
12 mentioned Gary Gilford, Joanna Allinson, Najib Kassis, Max Bon
13 Arin, and two Russian individuals named Anatoly and Anton; is
14 that correct?

15 A. Yes.

16 MR. FOLLY: Mr. Barile, if we could publish for the
17 jury what's in evidence as Government Exhibit 4102. If we
18 could just zoom in on the top two e-mails. The first one is
19 dated October 13, 2016, it's from Gary Gilford to Mark Scott.
20 And it cc's Joanna Allinson. It says: Dear Mark, as you are
21 aware, there is currently a City of London police investigation
22 into OneCoin. This will include all companies associated with
23 OneCoin and Dr. Ruja, including Ruja's family office RavenR
24 Capital Limited. As directors of RavenR, Joanna and I do not
25 wish to find ourselves personally liable for legal and other

JB63SC01

Ignatov - Direct

1 fees, etc., associated with any police investigation.

2 Furthermore, RavenR is under a number of contractual
3 obligations which Joanna and I do not wish to find ourselves
4 personally liable for.

5 Then going to the e-mail that comes next in the chain.
6 On the same date, it's from Gary Gilford once again to Mark S.
7 Scott cc'ing Joanna Allinson. It says: One final point.
8 Given the history of accounts being blocked globally, there is
9 the potential that the RavenR account could also be blocked.
10 Under no circumstances will Joanna and I allow ourselves to be
11 personally liable and this issue needs to be rectified
12 immediately. Regardless of your arguments for and against
13 whether we should have a guarantee/indemnity in place.

14 Q. Mr. Ignatov, did you have any communications with Joanna
15 Allinson?

16 A. In the very beginning when I started, but they were more
17 logistical ones like scheduling calls or meetings with Ruja.

18 Q. Did there come a time when those communications stopped?

19 A. Yes, all of a sudden she was gone.

20 Q. In addition to yourself, do you know of anyone who Joanna
21 worked with at OneCoin?

22 A. I noted she was working very closely with Irina, and a lady
23 who also left around the time of Joanna who is called Stoyana.

24 Q. You mentioned Irina. Is that the same Irina you referenced
25 yesterday, Irina Dilkinska?

JB63SC01

Ignatov - Direct

1 A. Yes.

2 MR. FOLLY: Mr. Barile, you can take that exhibit
3 down.

4 Q. You also mentioned that someone named Gary Gilford worked
5 at RavenR. Is that right?

6 A. Yes.

7 Q. What was Gary Gilford's role at RavenR?

8 A. Gary Gilford was the office manager, he was more or less
9 supervising every project, and from time to time he was giving
10 legal -- not legal. He was helping with OneCoin issues and he
11 was getting legal opinions and I think also a license.

12 Q. Are you familiar with the law firm called Hogan Lovells?

13 A. Yes, Gary Gilford worked very closely with them together.

14 Q. Did you have any discussions with Gary Gilford about --
15 sorry.

16 Did you have any discussions with your sister Ruja
17 about Gary Gilford and that work with Hogan Lovells?

18 A. She mentioned he got either a legal opinion or a license, I
19 can't recall completely. With sleeping with an employee of
20 Hogan Lovells.

21 Q. On the subject of lawyers, did Ruja have any other lawyer
22 she worked with on OneCoin business?

23 A. For example, Martin Breidenbach and Steven Schulenberg in
24 Germany.

25 Q. During time period when you were working for OneCoin, was

JB63SC01

Ignatov - Direct

1 it common or was it rare for Ruja to communicate with Martin
2 Breidenbach?

3 A. It was very common.

4 Q. Did you ever meet Martin Breidenbach?

5 A. Two times, once in Sofia and once at Sozopol at a
6 Christening party.

7 Q. A few minutes ago you mentioned that some of the OneCoin
8 investors would make purchases in cash. Is that correct?

9 A. Yes.

10 Q. Aside from the crypto center in Bulgaria in that safe that
11 you described, were there any locations where OneCoin would
12 store cash from those purchases?

13 A. In the Dubai office, in the Hong Kong office, and there was
14 kept a special apartment in Hong Kong that was filled with
15 cash, and also an apartment in South Korea that was filled with
16 cash.

17 Q. Approximately how much cash was stored in those apartments?

18 A. Hundreds of millions.

19 Q. Did there come a time when some of the cash from those
20 apartments was stolen?

21 A. Yes, I think it was around 2016 when Sebastian Greenwood
22 stole everything that was in the Korean office. Not office.
23 In the Korean apartment.

24 Q. Approximately how much money did he take?

25 A. I heard it was more than 100 million.

JB63SC01

Ignatov - Direct

1 Q. Can you remind us again what Sebastian Greenwood's role was
2 at OneCoin?

3 A. Sebastian Greenwood was one of the two founders of OneCoin,
4 he was the top leader of the network, and also the global
5 master distributor.

6 Q. Were there any other occasions when money was stolen from
7 OneCoin?

8 A. Yes. Sebastian Greenwood brought a big parts of this money
9 back after he got threatened by Ruja that she would expose him
10 to the network. And after Ruja disappeared, he stole again
11 everything, and he also emptied the apartment in Hong Kong.

12 Q. In addition to Sebastian Greenwood's theft of OneCoin
13 money, were there any other individuals who stole OneCoin
14 money?

15 A. I heard once that Chinese gentleman stole some --

16 MR. DEVLIN-BROWN: Objection.

17 THE COURT: Sustained.

18 MR. FOLLY: Your Honor, what is being sustained?

19 THE COURT: The question you asked.

20 MR. FOLLY: About theft of the money? Can we have a
21 sidebar?

22 THE COURT: Sure.

23 (Continued on next page)

JB63SC01

Ignatov - Direct

1 (At the sidebar)

2 MR. DEVLIN-BROWN: I haven't been objecting for a
3 while, but a number of the questions were have you heard this,
4 have you heard that. There's no clear basis for how he knows
5 these things. If it is a co-conspirator statement, obviously
6 it's admissible, but if he read it in the newspaper, it may not
7 be. So it's really to lay a foundation for whether he knows
8 these things and how.

9 THE COURT: And he started some of his answers with
10 saying "I heard that."

11 MR. FOLLY: I would be happy to ask him specifically
12 where he heard it from. I think it's relevant and admissible,
13 regardless whether he heard it directly from a co-conspirator
14 or whether he heard it in a newspaper. It would still go to
15 his knowledge that this was a fraud scheme that he was
16 participating in and that people were stealing money from the
17 company. But, more to the point, he will answer this question
18 about who told him about the theft of this money by explaining
19 that it was other key co-conspirators, so I'm happy to ask him
20 that.

21 THE COURT: That would be fine. But I don't know that
22 you're correct that if he read about it in a newspaper it comes
23 in. Isn't that just rank hearsay?

24 MR. FOLLY: It goes to his knowledge that he was
25 participating in a fraud scheme, which goes to his credibility

JB63SC01

Ignatov - Direct

1 as a witness at this trial.

2 THE COURT: I don't know about that, but we'll take
3 him one question at a time.

4 MR. FOLLY: Okay.

5 (Continued on next page)

JB63SC01

Ignatov - Direct

1 (In open court)

2 BY MR. FOLLY:

3 Q. Mr. Ignatov, you started to discuss that there were certain
4 occasions when you had learned that some money was stolen from
5 OneCoin. Do you recall that?

6 A. Yes.

7 Q. Who told you about the incidents where money was supposedly
8 stolen from OneCoin?

9 A. I learned, for example, from Irina Dilkinska, Maya
10 Antonova, and the office manager of the Dubai office, that
11 money was stolen.

12 Q. Specifically, can you explain what you were told about who
13 had stolen money from OneCoin?

14 A. For example, I was told about a Chinese gentleman who stole
15 somewhere between 30 and 40 million, and the individual in
16 Dubai who was called Amer Abdulaziz who stole more than 100
17 million.

18 Q. When you referred to million, are you referring to euros or
19 dollars?

20 A. Euros.

21 Q. We'll come back to the individual you just mentioned named
22 Amer Abdulaziz who you said stole at least 100 million euros
23 from OneCoin. For now, can you briefly explain what his
24 connection was to OneCoin.

25 A. He was one of the main money launderers for Ruja.

JB63SC01

Ignatov - Direct

1 Q. When those individuals stole that money from OneCoin, did
2 you or anyone else at OneCoin report that theft to the police?

3 A. No.

4 Q. Why not?

5 A. Because the money was made from a criminal activity.

6 Q. Let's go back now to the two ways you described earlier
7 about how OneCoin investors would purchase their packages.
8 You've already described one of those ways, which was through
9 cash purchase. What was the second method that you mentioned?

10 A. Via bank wire.

11 Q. When the investors would pay with bank wire transfers,
12 where would the investors wire their funds?

13 A. There were bank accounts all over the world.

14 Q. Were those bank accounts in the name of OneCoin?

15 A. No. For these bank accounts they were specially some straw
16 companies created.

17 Q. When you say straw companies that were created, what do you
18 mean by that?

19 A. I learned later on that Irina Dilkinska's main work is to
20 create companies, and, for example, that are in charge of
21 creating bank accounts, so that nobody knows about the origin
22 of the funds.

23 Q. Why didn't OneCoin receive money into bank accounts that
24 were in the name of OneCoin?

25 MR. DEVLIN-BROWN: Objection.

JB63SC01

Ignatov - Direct

1 THE COURT: Sustained.

2 Q. Mr. Ignatov, you were a high-ranking leader at OneCoin; is
3 that correct?

4 A. Yes.

5 Q. Did you have an understanding of why OneCoin, the company,
6 did not open bank accounts in its own name?

7 A. Because the funds --

8 MR. DEVLIN-BROWN: Objection.

9 THE COURT: Overruled.

10 A. Because the funds got frozen various times.

11 MR. FOLLY: Mr. Barile, if you can publish what's in
12 evidence as Government Exhibit 2115. If we could zoom in on
13 the section -- well. First at the header, actually, from
14 Dr. Ruja Ignatova dated 9/14/2015. And to Sebastian Greenwood.
15 With the subject "updates - a summary of things."

16 Now zoom in on the section that is titled "banking" in
17 the middle. The first bullet says: Mashreq has not received
18 the funds yet. 50M euros, 75 percent of the OneCoin money are
19 in space. They say it is the correspondent banks, we should
20 have it landing tomorrow. I have the swift, we should get it I
21 hope.

22 The second bullet reads: Now when we receive back 50M
23 on Mashreq, we have the issue what to do with it. I try to get
24 instead of checks demand drafts as they are international. The
25 chances are slim, they argue like hell with me. For their

JB63SC01

Ignatov - Direct

1 compliance it is easier if money stays in UAE. You understand
2 we have no chance to get currently 50 million euro cash in the
3 UAE. We have the following options. I try to get demand
4 drafts. Gilbert promised me to cash them out. Whatever I get
5 all at max value of 5M so I can split in accounts if needed. I
6 have two legal companies who can take it in as "client money"
7 or escrowed funds, and will charge us some fee to transfer
8 abroad. Again, discussion on origin of funds, etc., so I hope
9 all will be well with Gilbert. I have a meeting next week with
10 one of the sheiks in Dubai, and will try to get something done
11 for us but will discuss with you only in person and if get
12 results.

13 You can take that down. We can actually pull that
14 back up for a second. Just zoom in on the bottom two bullets
15 under "banking." The last two bullets. And the last bullet
16 reads: We continue working on new legal structure. One to two
17 weeks more and we will have more options on all things. Then
18 some money can flow back.

19 Before taking this down, if we could could just go
20 back to the date of the e-mail, which is September 14, 2015.
21 You can take that down and go to Government Exhibit 216. I'm
22 sorry. 214 I believe. If we could go to the header first.
23 It's from Sebastian Greenwood to Dr. Ruja Ignatova, dated
24 9/14/2015. Subject "please read update."

25 If we could go to the first two bullets starting with

JB63SC01

Ignatov - Direct

1 "payouts." Sebastian Greenwood writes: Payouts will be run
2 through your contact Gilbert and very good you have him
3 established. If all works out well, can we keep him long term?
4 Then we are in desperate need to fix proper bank in. What are
5 your plans here, please?

6 And last, if we could go to Government Exhibit 213 at
7 page two. Actually, first starting with the header. This is
8 from Sebastian Greenwood, to Ruja@OneCoin.eu sent on
9 September 23, 2014. Subject "Agenda Dubai."

10 (Continued on next page)

JB69SCO2

Ignatov - Direct

1 MR. FOLLY: If we could go to the second page, to the
2 section titled personal.

3 It reads: How and when do we start to take profit out
4 to our personal accounts? Dubai. Do we use any companies in
5 between us and our personal accounts? Build strategy and sign
6 off.

7 We can take that exhibit down.

8 Q. Mr. Ignatov, a moment ago you mentioned the bank accounts
9 for the OneCoin investors would wire the funds were in the
10 names of shell companies; is that right?

11 A. Yes.

12 Q. Was anyone at OneCoin involved in the creation and
13 management of those shell companies?

14 A. It was the main work of Irina Dilkinska.

15 Q. What was Irina Dilkinska's involvement with those shell
16 companies?

17 A. She was creating them and many of them she was CEO but
18 sometimes she used an agent in Dubai called Adrienne to find
19 other CEOs that are only there on paper so that she can control
20 it.

21 Q. You mentioned that sometimes she worked with someone named
22 Adrienne; is that correct?

23 A. Yes. This is an agent in Dubai.

24 Q. And what was your understanding of what Adrienne's role was
25 in this?

JB69SCO2

Ignatov - Direct

1 A. First of all, he's just a lawyer. But after Ruja's
2 disappearance I learned that he in charge of finding people who
3 are kind of nominees for these companies so that somebody is a
4 face of these companies and nobody sees that Irina and OneCoin
5 are in charge of them.

6 Q. Who provided you with that information that you just
7 explained?

8 A. Irina herself.

9 Q. In Bulgaria is there any special term that would be used
10 for those people who you referred to as nominees on the
11 companies?

12 A. They call them monkeys.

13 Q. After a customer would wire funds into one of those shell
14 companies where would the money go from there?

15 A. A part of it would go to the network to pay the bonuses and
16 for what they work for. Another part would go to the offices
17 to pay salaries of the employees and the cost of the office
18 itself. And the rest would be taken out via the shell
19 companies.

20 Q. After the rest would be taken out through shell companies
21 where would it go?

22 A. For example to private accounts of Ruja.

23 Q. Did Ruja receive a small or a large portion of the money
24 that originally came from those OneCoin investors?

25 MR. DEVLIN-BROWN: Objection.

JB69SC02

Ignatov - Direct

1 THE COURT: Sustained.

2 Q. You testified a moment ago I believe that OneCoin investors
3 would send money to these shell companies first; is that
4 correct?

5 A. Yes.

6 Q. And you testified that the money would go to various places
7 and one of them was to accounts controlled by Ruja; is that
8 correct?

9 A. Yes.

10 Q. Did Ruja receive a small or a large amount of that money?

11 MR. DEVLIN-BROWN: Objection to "small or large."

12 THE COURT: Yes. Rephrase, Mr. Folly.

13 Q. Approximately how much money did Ruja receive that came
14 from investors?

15 A. Until she left I think it was more than half a billion.

16 Q. And compared to other members of the OneCoin network was
17 that a small or a large amount?

18 MR. DEVLIN-BROWN: Objection.

19 THE COURT: Overruled.

20 THE WITNESS: It was more or less the same as
21 Sebastian Greenwood but compared to other people from the
22 network it was a totally out of sphere, so it was a lot more.

23 Q. When the money would get sent back to Ruja can you describe
24 how that process would work?

25 A. Various companies it would be transferred to will be

JB69SCO2

Ignatov - Direct

1 several companies as kind of middlemen and in the end there
2 will be an account that is only controlled by Ruja.

3 Q. Who were some of the individuals who were involved with
4 those accounts that would be used to send Ruja money?

5 A. There was a gentleman in Latin America called Alex Ortega.
6 In Dubai it was Amer Abdulaziz. There was Gilbert Armenta.
7 And Mark Scott.

8 Q. What was Gilbert Armenta's relationship to Ruja?

9 A. Gilbert Armenta was Ruja's boyfriend and her business
10 partner and he was one of the main money launderers.

11 Q. Did Gilbert Armenta work alone or did he work with anyone
12 else?

13 A. He worked with others.

14 Q. Who were some of the main people that Gilbert Armenta
15 worked with?

16 A. Alex Ortega, Amer Abdulaziz and Mark Scott.

17 MR. FOLLY: Publish Government Exhibit 63, paragraph
18 1(e).

19 This is the YouTube stipulation. Government Exhibit
20 205 is a true and correct copy of a YouTube video that was
21 posted on the OneCoin YouTube channel on or about October 14,
22 2015, titled "OneCoin in Macau: The Rise of an Empire."

23 Mr. Barile could you play what's in evidence as
24 Government Exhibit 205

25 (Recording played)

JB69SCO2

Ignatov - Direct

1 Q. Mr. Ignatov, at the very, very end of that video do you
2 recognize who the individual was there?

3 MR. DEVLIN-BROWN: Objection.

4 MR. FOLLY: If we could pull up so that it's on the
5 screen. Go to the very end. That individual.

6 THE WITNESS: This is Sebastian Greenwood.

7 Q. He seems to be holding up some sort of symbol. Do you
8 recognize what he's holding up there?

9 A. This was kind of the OneCoin recognition symbol that
10 everybody always made on pictures.

11 Q. If we could go back to Government Exhibit 63, back to that
12 paragraph 1(e).

13 Mr. Ignatov, it's dated, the video that was posted on
14 YouTube, October 14, 2015. At that time were you working for
15 OneCoin yet?

16 A. No. I was working for Porsche Logistic in Germany.

17 MR. FOLLY: If we could show just the witness
18 Government Exhibit 123 and 124 side by side.

19 Q. Mr. Ignatov, do you recognize these?

20 A. Yes.

21 Q. What are they?

22 A. Pictures from the video that we just seen. On the left
23 picture, from left to right, it's Sebastian Greenwood, Ruja
24 Ignatova and Gilbert Armenta. And on the right picture the
25 lady on the left is Irina Dilkinska next to Sebastian

JB69SCO2

Ignatov - Direct

1 Greenwood.

2 MR. FOLLY: The government offers Government Exhibits
3 123 and 124.

4 MR. DEVLIN-BROWN: No objection.

5 THE COURT: They will be received.

6 (Government's Exhibits 123 and 124 received in
7 evidence)

8 Q. Going back to the exhibit on the left, Government Exhibit
9 123, who is shown in that photograph?

10 A. On the right side?

11 Q. The photograph on the left side of your screen.

12 A. On the left side is Sebastian Greenwood. Next to Ruja
13 Ignatova. Next to Gilbert Armenta.

14 Q. Going to the photograph on the right side, who is shown on
15 that photograph?

16 A. On the left it's Irina Dilkinska next to Sebastian
17 Greenwood.

18 Q. Focusing on Irina Dilkinska, to your knowledge did she have
19 any jobs outside of OneCoin?

20 A. No. She was only working for OneCoin.

21 Q. Where did Irina sit in the OneCoin office?

22 A. She was until I think Ruja's disappearance sitting at the
23 third floor.

24 Q. Did there come a time when Irina Dilkinska stopped sitting
25 full time in the OneCoin office?

JB69SCO2

Ignatov - Direct

1 A. Yes. After Ruja's disappearance she took one of the shell
2 companies called Leon and was -- pretended to work for Leon and
3 took an apartment and called it an office but she was working
4 for OneCoin still.

5 Q. And you mentioned that she took a shell company
6 called Leon. Is that L-E-O-N?

7 A. Yes.

8 Q. And how was she using Leon? Can you explain that?

9 A. She was using it as a cover.

10 Q. And what was the cover?

11 A. So that she doesn't get associated with OneCoin directly.

12 Q. I want to go back to Gilbert Armenta who you mentioned
13 earlier in your testimony and we just saw in the video.

14 MR. FOLLY: If you could just publish Government
15 Exhibit 102.

16 Q. What was Gilbert Armenta's connection to OneCoin?

17 A. He was Ruja Ignatova's boyfriend, her business partner, and
18 one of her main money launderers.

19 Q. Did you ever meet Gilbert Armenta?

20 A. Yes. Several times.

21 Q. Approximately how many times have you met him?

22 A. Five to ten times.

23 Q. Approximately when did you first meet Gilbert Armenta?

24 A. This was in July 2016.

25 MR. FOLLY: Mr. Barile, can you publish for the

JB69SCO2

Ignatov - Direct

1 witness and the jury what's in evidence as Government Exhibit
2 1126.

3 Zoom in on the header first.

4 Q. It's an e-mail from Konstantin Ignatov to G Armenta at
5 zalagroup.com. CC Dr. Ruja Ignatova. The date is July 7,
6 2016.

7 If we could zoom back out.

8 If we could zoom in on the body of the e-mail.

9 Q. Mr. Ignatov, is this an e-mail that you wrote?

10 A. Yes.

11 Q. Could you read what you wrote?

12 A. Dear Gilbert. Let me introduce myself. My name is
13 Konstantin and I am Dr. Ruja's new assistant. She asks about
14 your travel plans Sunday to Tuesday. She is usually staying in
15 the Art Hotel. Please do not hesitate to contact me if needed.
16 Best regards. Konstantin Ignatov.

17 Q. Mr. Ignatov in this e-mail you reference that you are
18 Dr. Ruja's new assistant. At the time of this e-mail
19 approximately how long had you been working at OneCoin?

20 A. Around one week.

21 Q. What was being discussed here in this e-mail?

22 A. A meeting between Gilbert Armenta and Ruja in the Art Hotel
23 in Barcelona.

24 Q. At the time of this e-mail had you met Gilbert Armenta yet?

25 A. No.

JB69SCO2

Ignatov - Direct

1 MR. FOLLY: Mr. Barile, if you could now publish to
2 the witness and the jury what's in evidence as Government
3 Exhibit 1142.

4 Zoom in on the heading first. An e-mail from Dr. Ruja
5 Ignatova dated July 13, 2016 to G Armenta at zalagroup.com and
6 Mark Scott. CC Konstantin Ignatov. The subject is: Urgent:
7 Meeting next week.

8 If we could zoom in now on the body of the e-mail.

9 The e-mail reads:

10 Gentlemen, as I am having a lot of she-said he-said
11 new issues popping up daily and unfortunately no visible
12 results or clear schedule on what is happening on our project,
13 this is why I would like to meet you both in person next week.
14 I am from Tuesday on in Sofia. We all know that this is an
15 issue of importance and urgency me for and the 25.7 is
16 approaching. A couple of months is no option for me.
17 Konstantin, schedule please. Best regards, Dr. Ruja.

18 We can take this down, Mr. Barile.

19 Q. Mr. Ignatov, there was a reference in that e-mail to
20 setting up a meeting for the following week. Do you recall
21 that?

22 A. Yes.

23 Q. Did Mark Scott come to Sofia, Bulgaria around that time?

24 A. Yes.

25 Q. Did you meet him during that trip?

JB69SCO2

Ignatov - Direct

1 A. Yes.

2 MR. FOLLY: Let's turn to what's in evidence as
3 Government Exhibit 1143. We could as well publish it starting
4 on page 2. Zoom in so it's clear, the bottom e-mail.

5 We can zoom back out.

6 Go now to the first page. From the bottom, the
7 response there.

8 It's from G Armenta at zalagroup.com to Ruja at
9 OneCoin.eu; Mark Scott. CC Konstantin Ignatov.

10 It says: All: Will send some dates later this week.
11 And signed G.

12 Can we go to the response to that e-mail. Directly
13 above it.

14 From Mark Scott. It says: I can be there by
15 Wednesday. Can't leave before the evening of the 19th.
16 Please give some thought to different location in Europe if at
17 all possible.

18 Go to the response. It's from Ruja to the same
19 participants once again. It says: Mark: Sofia is really
20 best. You can also meet up with Viktor and KK and I will get
21 Max from London over. And it's signed R.

22 We can leave that portion up.

23 Q. Mr. Ignatov, there's a reference there to Max from London.
24 Do you have an understanding of who that is?

25 A. Max from Bon Arin who was working for RavenR in London.

JB69SCO2

Ignatov - Direct

1 Q. There's also a reference to Viktor. Do you have an
2 understanding of who Viktor was?

3 A. This is Viktor Rashev a Bulgarian lawyer who was in charge
4 of Ruja's properties.

5 Q. And there's also a reference to KK. Do you have an
6 understanding of who that was referring to?

7 A. This is Krasimir Skorchev, one of Ruja's business partners
8 who was always scheming around her to get some money out of her
9 to invest in some --

10 MR. DEVLIN-BROWN: Objection.

11 THE COURT: Sustained.

12 MR. FOLLY: Your Honor, is there a portion of that
13 that that should stay?

14 THE COURT: Yes. The first sentence I believe is
15 fine. After that it should be stricken.

16 MR. FOLLY: Thank you, your Honor.

17 And if we could go back to the e-mail chain to Mark
18 Scott's response directly above that.

19 He writes back: No problem. Would appreciate dates
20 quickly to make arrangements.

21 Mr. Barile, if you could publish Government Exhibit
22 62. This is a stipulation regarding travel records.

23 If we could go to page 2, paragraph (1).

24 It says: Scott traveled from Miami to Frankfurt on
25 July 19, 2016 and traveled from Frankfurt to Sofia, Bulgaria on

JB69SCO2

Ignatov - Direct

1 July 20, 2016; Scott returned from Sofia to Frankfurt on
2 July 21, 2016 and subsequently returned from Frankfurt to Miami
3 on July 24, 2016.

4 Your Honor, we may have offered this but to be sure
5 the government offers Government Exhibit 62.

6 MR. DEVLIN-BROWN: No objection.

7 THE COURT: Government Exhibit 62 will be received.

8 (Government's Exhibit 62 received in evidence)

9 MR. FOLLY: Your Honor, just one moment.

10 (Counsel and paralegal confer)

11 MR. FOLLY: Mr. Barile if you could publish Government
12 Exhibit 55 and go to the last page, the last full paragraph.
13 And in that paragraph it states Government Exhibit 3025-S is a
14 chart created by the government based on the information
15 contained in Government Exhibit 3025 which pertains to data
16 extracted from Scott's wife's cellphone.

17 If we could turn to Government Exhibit 3025-S at I
18 believe it's page 10.

19 If we could zoom in on the messages there.

20 Q. The first message is from Scott, Mark Scott to Lidia
21 Kolesnikova. It says: Just showered. Off to see R.

22 The response from Lidia Kolesnikova is: Is G there?

23 Mark Scott writes in response: In the morning.
24 Nothing yet. And G tomorrow.

25 There's a question from Lidia Kolesnikova: How is

JB69SCO2

Ignatov - Direct

1 Sofia?

2 Mark Scott writes: Busy driving to Hilton soon and
3 then dinner at 8 p.m. Getting used to driver and security. I
4 like it. And then there appear to be some emojis below that.

5 Then in the final message from Mark Scott he writes:
6 Funny how people look at you that way. They can't carry guns
7 on belt so they all have a sleek type of Man purse hanging
8 around their necks with weapons. Everyone know. Even police
9 is polite. LOL. And X6. Cheyenne Turbo S Class. And always
10 two guys. Ruja more. And they stay outside of hotel.

11 Q. Mr. Ignatov, you mentioned that Mark Scott came to Bulgaria
12 in July of 2016; is that correct?

13 A. Yes.

14 Q. Did you meet him during that trip?

15 A. Yes. One time in the Sofia office.

16 Q. Let's go through the events on that day that you met Mark
17 Scott. Can you describe what happened when Mark Scott arrived
18 at the OneCoin in Sofia?

19 A. He arrived at the office around noon and when he arrived it
20 was a little small talk: How was travel? Do you want
21 something to drink? I think I made him a coffee or gave him a
22 water or something. And after Ruja had time to welcome him I
23 brought him to her office and then I left again.

24 Q. What happened after you brought Mark Scott -- well before
25 we continue. Was there anyone else present in Ruja's office

JB69SCO2

Ignatov - Direct

1 when you brought Mark Scott there?

2 A. In the beginning nobody except Ruja.

3 Q. What happened after you brought Mark Scott to Ruja's
4 office?

5 A. Ruja called me to bring Irina. Again I brought Irina and
6 then again I left.

7 Q. What happened at that point?

8 A. Ruja called me again and told me to make sure that
9 everybody on this floor leaves and goes home so that Irina,
10 Mark, and Ruja are alone.

11 Q. Was it common or rare for Ruja to tell everyone in the
12 office to leave and go home?

13 A. This was the only time in the time I was working for Ruja.

14 Q. Did you stay in the office or did you leave at that point?

15 A. I left with everyone others did.

16 Q. Did you have an understanding at the time of where Mark
17 Scott was from?

18 A. USA.

19 Q. After that meeting in Sofia that you just described did you
20 ever meet Mark Scott in person again?

21 A. No, I didn't.

22 Q. After that meeting in Sofia did you have any discussions
23 with Irina about her meeting with Mark Scott?

24 A. The week after she told me that she had to stay a long
25 time -- for a long time to stay until Mark Scott understood

JB69SCO2

Ignatov - Direct

1 everything that has to be done or he has to do.

2 Q. What about Ruja? Did you ever have any discussions with
3 her about her meeting with Mark Scott?

4 A. Not directly. So some months later I heard her screaming
5 on the phone. I think it was to Maya Antonova. And she
6 called, excuse me, my language now, Mark Scott an idiot, that
7 he fucked totally up and that he's useless.

8 Q. After this meeting in July of 2017 did you have any
9 additional contact -- sorry. Did you have any additional
10 contact with Mark Scott?

11 A. Yes. Via e-mail.

12 Q. And Mr. Ignatov I believe you testified earlier that this
13 took place in July of 2016; is that correct?

14 A. Yes.

15 Q. I misspoke when I said 2017.

16 Going back to your testimony just now you said you had
17 additional contact through e-mail; is that correct?

18 A. Yes.

19 Q. Can you describe generally what types of things you
20 discussed with Mark Scott in those e-mails?

21 A. It was generally logistics, like somebody to pick him up,
22 the drivers he mentioned, or to set up meetings or calls with
23 Ruja.

24 Q. Mr. Ignatov, if you could look at the binder there next to
25 you that contains e-mail correspondence, which is Government

JB69SCO2

Ignatov - Direct

1 Exhibits 4001 through 4088. Do you see that there?

2 A. Yes.

3 Q. What is contained in that binder?

4 A. These are e-mails between Mark Scott and me.

5 Q. And approximately how many e-mails are there?

6 A. Almost a hundred.

7 MR. FOLLY: Mr. Barile, could you publish for the
8 witness and the jury what's in evidence as Government Exhibit
9 4015.

10 Q. Mr. Ignatov, do you recognize this?

11 A. Yes.

12 Q. And just generally what's being discussed in this e-mail?

13 A. Meeting between Mark Scott and me when he's arrived and I
14 think also when he's arriving and also about pick-ups.

15 MR. FOLLY: Go actually to the top portion of the
16 e-mail and zoom in on the body and the header. It's dated
17 September 13, 2016. Subject is privileged attorney-client
18 communication. It's from Mark Scott. And it's to Konstantin
19 Ignatov.

20 It says: Hi Konstantin. Ruja asked me to let you
21 know that I will be arriving on Lufthansa Flight 1426 from
22 Frankfurt. In Sofia on Thursday. Landing -- I believe it says
23 at 1 p.m. She asked that I get picked up and brought to hotel.
24 Staying at Radisson this time. And it's signed: Best, Mark.

25 THE COURT: Mr. Folly, it's eleven o'clock so why

JB69SC02

Ignatov - Direct

1 don't we take our morning break. Ladies and gentlemen, we'll
2 get together again in fifteen minutes. Please don't be late.
3 Do not discuss the case.

4 Mr. Ignatov can step down.

5 Any business for me? OK. Don't be late, folks.

6 (Recess)

7 (Jury present)

8 THE COURT: Mr. Folly.

9 MR. FOLLY: Thank you, your Honor.

10 Mr. Barile, if you could publish for the witness and
11 the jury what's in evidence as Government Exhibit 4017.

12 If you could zoom in on the top portion, the top
13 e-mail, including the header. All the way down through the
14 body of the e-mail. It's dated September 13, 2016. From Mark
15 Scott to Konstantin Ignatov.

16 It says: Hi Konstantin. Slight change of plans. R
17 asked me to stay until Saturday. The Radisson is not available
18 on Friday night so I will stay at the Hilton again. R and I
19 meeting at the Residence at 8 p.m. on Thursday and Friday
20 afternoon. I need to be at the airport on Saturday for a
21 5:40 a.m. flight. Signed: Best, Mark.

22 Q. Do you see the reference in the second paragraph to, "R and
23 I meeting at the Residence"?

24 Do you see that there?

25 A. Yes.

JB69SCO2

Ignatov - Direct

1 Q. What is the Residence?

2 A. The Residence is something like a club for the rich people
3 in Sofia where Ruja always liked to have her business meetings
4 that are important.

5 Q. Turning to Government Exhibit 4026. If you could zoom in
6 on the top portion of that e-mail.

7 It's from Konstantin Ignatov to Mark Scott dated
8 September 16, 2016.

9 It says: Dear Mark: I have some documents Irina
10 wants to send you, but I can give it to you in person. Would
11 it be possible? Thanks in advance.

12 What's being discussed in this e-mail?

13 A. Irina Dilkinska gave me some documents that I should give
14 to Mark Scott.

15 MR. FOLLY: Let's look at Government Exhibit 4027
16 which is the response to that e-mail.

17 Mark Scott says, "Whichever you prefer is fine."

18 If we could look at the next e-mail in this thread,
19 4028. Konstantin Ignatov writes to Mark Scott: Sent them via
20 driver to you. Please confirm when you received them.

21 And this e-mail is dated September 16, 2016.

22 Mr. Barile, could you please pull up Government
23 Exhibit 3025-S at page 12.

24 And there are two text messages here. The first is
25 dated 9-15-2016 that says: In Sofia. From Mark Scott. And

JB69SCO2

Ignatov - Direct

1 the second is dated 9-17-2016. It says: Did a huge deal with
2 Ruja. Will tell you. Then there's some discussion about food.
3 You can take that down.

4 Mr. Barile, if you could publish what's in evidence as
5 Government Exhibit 4034. Zoom in at the top section, the first
6 e-mail with the header and the body.

7 It's from Konstantin Ignatov to Mark Scott dated
8 December 4, 2016.

9 It says: Hi Mark. I rescheduled your meeting for
10 Thursday, 1 p.m. in the London Office Knightsbridge ONE1
11 Knightsbridge. Best, Konstantin.

12 Q. What's being discussed in this e-mail chain?

13 A. A meeting between Mark Scott and Ruja Ignatova in the
14 office of RavenR in London.

15 Q. Is the address there that we just looked at, is that the
16 address you referenced earlier to the RavenR office?

17 A. Yes.

18 MR. FOLLY: If we could go to Government Exhibit 4039.
19 Zoom in on the top portion of the e-mail. December 4, 2016.
20 From Mark Scott to Konstantin Ignatov.

21 It says: Hi Konstantin. I need about 30 minutes with
22 her alone on some other topics without Karl. She wants to
23 speak to me too. Can I be there at 1:30 p.m.? Very important.

24 If we could go to your response at Government Exhibit
25 4040. You wrote to Mark: Hi Mark. I am sorry. I just gave

JB69SCO2

Ignatov - Direct

1 Karl this slot. I can offer you a Skype call tomorrow?

2 Go to Government Exhibit 4041.

3 Mark Scott's response: Hi Konstantin. I don't
4 Skype... and very unsafe. I am flying all this way -- it's
5 difficult, I think there's an issue with the printing here, but
6 it says: Flying all this way to something meeting with her and
7 Karl?

8 Q. When Mark Scott wrote "I don't Skype" and "very unsafe"
9 what was your understanding of what he meant by that?

10 A. That somebody could listen to his call when he uses Skype.

11 MR. FOLLY: Turn now to Government Exhibit 4053. Just
12 zoom in on the top portion of the body in the header. It's
13 titled visit in Sofia. Dated January 9, 2017 from Mark Scott
14 to Konstantin Ignatov.

15 It says: Hi Konstantin. I am planning to arrive on
16 Thursday, June 12, at 1:15 p.m. in Sofia. Is Ruja available
17 that afternoon for a meeting and maybe dinner? Please let me
18 know soonest.

19 Go further in that e-mail chain to 4057. And zoom in
20 on the top portion. A continued discussion regarding visit in
21 Sofia. And the subject line dated January 10, 2017 from Mark
22 Scott to Konstantin Ignatov.

23 Mark Scott writes: Hi Konstantin. I am arriving on
24 Thursday on Lufthansa 1426 at 13:10 hours in Sofia. Best to
25 get someone that takes me to the hotel and waits for me to

JB69SCO2

Ignatov - Direct

1 drive to the office after. Thanks for your help.

2 Again, this is dated January 10, 2017.

3 If we could turn now to Government Exhibit 3025-S at
4 page 17.

5 On January 11, 2017 Mark Scott writes: By the way,
6 please look around a bit for investment property. I need to
7 diversify into real estate. Maybe a couple of places for 750
8 to 1.0 mio each.

9 The following day he writes: In Sofia now, with what
10 appears to be a fire emoji.

11 And another text message on the same date. Mark Scott
12 writes: We had stuff to discuss. I think she is nervous a
13 little and wants to split up her money. Does not matter to me
14 baby. As long as I make mine. And then there are two emojis
15 following that.

16 And then later that day there's a question from Lidia
17 Kolesnikova to Mark Scott: Are you guys meeting for dinner or
18 something today?

19 And Mark Scott responds: Now. Picking me up with the
20 Bentley SUV.

21 Q. Mr. Ignatov you mentioned earlier that there came a time
22 when Ruja disappeared; is that correct?

23 A. Yes. In October 2017.

24 Q. What, if any, effect did Ruja's disappearance have on the
25 financial state of OneCoin?

JB69SCO2

Ignatov - Direct

1 A. Well pretty fast afterwards I learned that the company is
2 more or less broke and also people stopped to invest their
3 money into OneCoin because they lost their trust in the
4 company.

5 Q. Did you take any steps to help obtain money for OneCoin?

6 A. Yes. For example I was talking to Irina and Frank
7 Schneider and we tried to find places where OneCoin still has
8 funds.

9 Q. During those discussions with Irina and someone you
10 referred to as Frank Schneider, who we'll discuss in a moment,
11 what did you discuss about trying to get OneCoin money back?

12 MR. DEVLIN-BROWN: Objection to which of the two
13 people.

14 BY MR. FOLLY:

15 Q. Let's start first with Irina. What did you discuss with
16 Irina Dilkinska about taking steps to get OneCoin money back
17 for the company?

18 A. Well after Ruja disappeared the company was more or less
19 dead. There was no money left. And we were searching for
20 sources where other companies that has some funds. And Irina
21 said that, for example, there are still funds with Mark Scott
22 and Amer Abdulaziz.

23 Q. Now you just mentioned also that you had discussion with
24 someone named Frank Schneider; is that correct?

25 A. Yes.

JB69SCO2

Ignatov - Direct

1 Q. What was Frank Schneider's connection to OneCoin?

2 A. In the beginning he was introduced to me as that he is in
3 charge of Ruja's online security but later on I learned that
4 she got all her information about ongoing investigations from
5 law enforcement and also that he's one of her money launderers.

6 Q. When you say that she got information about ongoing law
7 enforcement investigations from Frank Schneider what are you
8 referring to?

9 A. For example about investigations in the UK or the one in
10 the USA. Frank Schneider was warning her or giving her
11 information what is happening.

12 MR. FOLLY: If we could show for the witness only
13 what's been marked as Government Exhibit 142.

14 Q. Mr. Ignatov, do you recognize that?

15 A. Yes. This is Frank Schneider.

16 MR. FOLLY: The government offers Government Exhibit
17 132.

18 MR. DEVLIN-BROWN: No objection.

19 THE COURT: 132 will be received.

20 (Government's Exhibit 132 received in evidence)

21 MR. FOLLY: Publish that to the jury.

22 Q. A moment ago you mentioned that during your discussion with
23 Irina Dilkinska she mentioned that Mark Scott might have some
24 money that belonged to OneCoin; is that correct?

25 A. Yes.

JB69SCO2

Ignatov - Direct

1 Q. What was your understanding of where that money had
2 originally come from?

3 A. From OneCoin investors.

4 MR. FOLLY: Mr. Barile, can you publish to the witness
5 and the jury what's in evidence as Government Exhibit 3002-S.

6 Q. Mr. Ignatov, do you recognize this text message
7 conversation?

8 A. Yes. This is between Irina Dilkinska and me.

9 Q. Going through this message Irina writes: I'm at office.

10 You write: See you later.

11 Irina writes: Going to a meeting at Vanya's office
12 and will be back. Just FYI.

13 You respond: OK. My lady are you coming?

14 Irina Dilkinska writes: Desperately searching for
15 Fenero documents.

16 There's a reference there to Fenero. Do you see that?

17 A. Yes.

18 Q. What is your understanding of what Fenero is?

19 MR. DEVLIN-BROWN: Objection as to timing.

20 THE COURT: Sustained.

21 Q. Mr. Ignatov in this text message discussion what is being
22 discussed between you and Irina Dilkinska?

23 A. We were discussing -- we had a discussion before that we
24 are in search of funds and she said that she might have an idea
25 where there are still available funds so that the company can

JB69SCO2

Ignatov - Direct

1 survive and she wrote that she found -- she is searching Fenero
2 documents and at the end about it she mentioned that we might
3 be lucky that she found something.

4 Q. And was that connected to the attempt to get money back to
5 OneCoin?

6 A. Yes.

7 Q. And the date is April 19, 2018; is that correct?

8 A. Yes.

9 Q. At that time had Ruja Ignatova disappeared?

10 A. Around half a year ago.

11 Q. Go down to page two of the same message. Irina Dilkinska
12 writes: Morning bro, was thinking then we don't need to meet
13 FS next week.

14 And you responded: There is no reason. Only
15 communicate about HK funds.

16 In this text message where Irina writes, "Don't need
17 to meet FS next week," what is your understanding of who FS is?

18 A. Frank Schneider.

19 MR. FOLLY: Mr. Barile, can you publish to the witness
20 and the jury what's in evidence as Government Exhibit 3003-S.

21 So the text message exchange dated June 14, 2018.
22 Irina Dilkinska writes: Hey. Talking to Mark Scott.

23 You respond: What does he say?

24 Irina Dilkinska writes: He wants to know what's up
25 with Phoenix so to help. Shall I tell him? He says he may

JB69SCO2

Ignatov - Direct

1 help.

2 You respond that Ruja was not happy with him so I
3 don't see him as trustworthy.

4 And Irina Dilkinska writes: Also true but also true
5 he may press for us too. Sad face. As currently don't see
6 many opportunities.

7 Where Irina states in this text message exchange that
8 Mark Scott wants to know what's up with Phoenix so to help.
9 Can we highlight that.

10 Q. What was your understanding of what Irina Dilkinska was
11 discussing with you in this text message exchange?

12 A. Phoenix is a company of Amer Abdulaziz who stole over a
13 hundred million euros and this was the time when we were
14 thinking about how we could get the money back from him.

15 Q. When Irina Dilkinska refers to that she's speaking with
16 Mark Scott what was your understanding of who she was referring
17 to?

18 A. To the defendant.

19 Q. Now you mentioned an individual Amer Abdulaziz a couple of
20 times. What was his connection to OneCoin?

21 A. He was also one of the main money launderers for OneCoin.

22 Q. I believe you testified that there came a time where he
23 stole a hundred million dollars; is that correct?

24 A. Over a hundred million.

25 MR. FOLLY: Mr. Barile, can you publish to the witness

JB69SCO2

Ignatov - Direct

1 and the jury what's in evidence as Government Exhibit 3005-S.

2 This is a text message exchange dated June 22, 2018.

3 Irina Dilkinska writes: Can you tell FS that Mark himself will
4 try to push Phoenix to release funds. She then writes Mark is
5 Fenero.

6 In response you write: OK. Will do.

7 And then Irina Dilkinska wrote: He will send him
8 e-mail and will request release. Let's see what will happen.
9 Thanks.

10 At the top when Irina writes in the first message,
11 "Can you tell FS that Mark himself will try to push Phoenix to
12 release funds. Mark is Fenero." To your understanding who is
13 FS?

14 THE WITNESS: Frank Schneider.

15 Q. Can you just remind us what his connection was to OneCoin?

16 A. He was said that he's Ruja's -- he's in charge of Ruja's
17 online security. But in reality he was giving her information
18 about law enforcement's investigations. And he was one of the
19 money launderers.

20 Q. Now there's a reference here that Mark himself will try to
21 push Phoenix to release funds. When Irina says "release
22 funds," what did you understand that to mean?

23 A. To bring back the stolen money to the company.

24 Q. And where was that money at the time?

25 A. In Dubai.

JB69SCO2

Ignatov - Direct

1 Q. Who was in possession of it?

2 A. Amer Abdulaziz.

3 Q. And there's a specific reference in that message to "push
4 Phoenix to release the funds." What is your understanding of
5 what Phoenix was?

6 A. The company of Amer Abdulaziz.

7 Q. The company of Amer Abdulaziz?

8 A. Yes.

9 Q. What was your understanding of where those over a hundred
10 million dollars in funds originally came from?

11 A. From OneCoin investors.

12 Q. Now further down in that text message, if we could turn the
13 page, further down in that text message it appears at 3:35 p.m.
14 that you sent an attachment. Do you see that there?

15 A. Yes.

16 MR. FOLLY: Mr. Barile, if you could go to the final
17 page of this exhibit.

18 Q. Mr. Ignatov, is that the attachment that you sent?

19 A. Yes, it is.

20 Q. Now what is this attachment here?

21 A. It is an e-mail from Frank Schneider to me.

22 Q. The body of e-mail starts with, "Sorry, I answered a little
23 too quick." Who was writing this e-mail here?

24 A. Frank Schneider.

25 Q. Who was it sent to?

JB69SCO2

Ignatov - Direct

1 A. To me. I am ieatflowers.

2 Q. That's your e-mail address?

3 A. Yes.

4 Q. The e-mail reads: Sorry, I answered a little too quick.

5 There is a potential problem with Mark that you need to know.

6 When we saw the presentations that the US authorities gave to

7 an international working group called Operation Satellite in

8 January 2017, they identified targets and target entities. The

9 US new about Fenero, the transfers to Ireland and presumably

10 also the transfers to Dubai. The presentations mentioned GA,

11 SG, R, various structures and companies, Singapore accounts,

12 etc. But there was no mention of MS, none. There was a

13 mention that the US had a highly placed informant. R and I

14 concluded that this may well be MS. So we need to be careful.

15 But he can contact me.

16 Back to the beginning of the message. If you can

17 highlight where Frank Schneider writes, "Sorry, I answered a

18 little too quick. There is a potential problem with Mark that

19 you need to know."

20 Mr. Ignatov, when Frank Schneider was referring to

21 Mark, what is your understanding of who he was referring to?

22 A. To Mr. Mark Scott.

23 Q. Is that the defendant?

24 A. Yes.

25 Q. What is your understanding of why Frank Schneider was

JB69SCO2

Ignatov - Direct

1 telling you about this potential problem with Mark Scott?

2 A. Because Irina is starting to working close again with him
3 and he is concerned that if Mark Scott is really an informant
4 that Irina might give him some information about the fraud that
5 is going on.

6 Q. Schneider writes, "The US knew about Fenero, the transfers
7 to Ireland and presumably also the transfers to Dubai."

8 When Schneider writes about Fenero what is your
9 understanding of what he was referring to?

10 A. I learned from Irina that Mark Scott is Fenero.

11 Q. And what was Irina's involvement with Fenero?

12 A. Later on I learned that she and Mark Scott are bot co-CEOs
13 and they created all the entities.

14 MR. DEVLIN-BROWN: Objection.

15 THE COURT: Overruled.

16 THE WITNESS: Created these entities and were managing
17 them.

18 Q. Schneider references certain transfers to Dubai. Do you
19 see that?

20 A. Yes.

21 Q. What is your understanding of what he was referring to
22 there?

23 A. I think it might be Amer Abdulaziz Phoenix.

24 Q. Where is Amer Abdulaziz based?

25 A. In Dubai.

JB69SCO2

Ignatov - Direct

1 MR. FOLLY: Highlight the sentence starting with, "The
2 presentations mentioned."

3 Q. Mr. Ignatov, Frank Schneider stated that the law
4 enforcement presentations mentioned GA, SG, and R among other
5 things. What is your understanding of who GA is?

6 A. Gilbert Armenta.

7 Q. What is your understanding of who SG is?

8 A. Sebastian Greenwood.

9 Q. And what was your understanding of who R is?

10 A. Ruja Ignatova.

11 Q. Schneider also stated that there was no mention of MS in
12 the law enforcement presentation. Do you see that?

13 A. Yes.

14 Q. What was your understanding of who MS referred to?

15 A. Mark Scott.

16 Q. Frank Schneider wrote towards the end of the e-mail there
17 was a mention that "the US had a highly placed informant. R
18 and I concluded that this may well be MS. So we need to be
19 careful."

20 What was your understanding of what we need to be
21 careful meant?

22 A. The information that Irina gives him so that if he is an
23 informant that law enforcement doesn't have more information
24 about what is going on in OneCoin.

25 Q. Frank Schneider mentions in this text message that Ruja and

JB69SCO2

Ignatov - Direct

1 others were under investigation. Did you ever have any
2 conversations with Frank Schneider about whether you were under
3 investigation?

4 A. Yes. I asked him if I am also included in these
5 presentations and investigations.

6 Q. And what did you discuss with him during that conversation?

7 A. If I have something to be concerned about and he told me
8 that in one presentation I was just mentioned very briefly but
9 I was taken out because my role is unimportant. And he said
10 that I'm not part of the investigation so that I don't have to
11 worry about anything.

12 Q. Did you have an understanding of whether you were on any
13 FBI lists?

14 A. Yes. Frank Schneider told me but he told me that I was
15 taken off because my role was too unimportant.

16 Q. What was your understanding of where Frank Schneider got
17 that information?

18 A. I think he is very well connected person and he has some
19 informants everywhere.

20 Q. In this e-mail there's a reference at the bottom it says
21 sent from Protonmail mobile. Do you see that?

22 A. Yes.

23 Q. What is Protonmail?

24 A. Protonmail is an encrypted mail service.

25 Q. What does that mean?

JB69SCO2

Ignatov - Direct

1 A. Encrypted means that no one can read your e-mail
2 communication.

3 Q. Were you using Protonmail at this time?

4 A. Yes. The ieatflowers@protonmail e-mail address belongs to
5 me.

6 Q. Why were you using a Proton e-mail address during this
7 time?

8 A. Irina told me that I need one so I created that account.

9 Q. What did she say to you during that conversation?

10 A. She told me that it is important that I and everybody else
11 from the management group in Sofia has one so that nobody can
12 see our communications.

13 Q. Were other members of OneCoin using Protonmail e-mail
14 addresses?

15 A. Everybody from the management group.

16 Q. Let's go back now to this text message exchange where you
17 sent this e-mail attachment.

18 MR. FOLLY: If we could go to page -- further down.
19 Keep scrolling. Keep going. If you could blow this section up
20 here.

21 At 4:16 Irina Dilkinska writes: I was in all papers
22 with which MS was working and if what FS is saying would be
23 true I would be in much deeper shit as MS said we transferred
24 the ownership of Adamana Group DMCC where I am shareholder with
25 Maya.

JB69SCO2

Ignatov - Direct

1 Q. When Irina Dilkinska references MS in this text message,
2 and says, "I was in all papers with which MS was working," what
3 is your understanding of who MS is referring to?

4 A. The defendant, Mark Scott.

5 Q. There is also a reference in that same sentence to FS.
6 What is your understanding of who that is?

7 A. Frank Schneider.

8 Q. Now, what is your understanding of what Irina Dilkinska
9 meant when she said she was in all papers with MS?

10 A. Well that if the FBI or law enforcement from the USA is
11 investigating everything according to Mark Scott she is co-CEO
12 there so if they got him they will also get her --

13 Q. I'm sorry. Were you still talking?

14 A. And everything that she did.

15 Q. And when you say that she was co-CEO there, what were you
16 referring to?

17 A. In Fenero.

18 Q. You mention someone several times named Amer Abdulaziz can
19 you remind us again where he was based?

20 A. In Dubai.

21 Q. And what happened to the money that Amer Abdulaziz was
22 involved with?

23 A. He stole it.

24 Q. Approximately how much?

25 A. More than a hundred million euros.

JB69SCO2

Ignatov - Direct

1 Q. Who told you about this?

2 A. Irina Dilkinska, Maya Antonova and Velizara, the office
3 manager of the OneCoin Dubai office.

4 Q. Mr. Ignatov, you referenced Irina Dilkinska, Maya Antonova
5 as well as Velizara; is that correct?

6 A. Yes.

7 Q. Focusing on Maya, what was her main role at OneCoin?

8 A. She was head of accounting in OneCoin.

9 Q. And what about Velizara? What was her role?

10 A. She was managing the OneCoin office in Dubai.

11 MR. FOLLY: Mr. Barile, can you publish to the witness
12 and the jury what's in evidence as Government Exhibit 3004. If
13 you could zoom in on that.

14 Q. Mr. Ignatov, do you recognize this?

15 A. Yes. This is my phone.

16 Q. And what's shown on your phone screen here?

17 A. A conversation between Velizara and me where she tells me
18 about -- where she sends me a picture what I think is Amer
19 Abdulaziz.

20 Q. Directly below that photograph she writes: This F is in
21 Ascot having fun with our cash.

22 Do you see that?

23 A. Yes.

24 Q. What was your understanding of what she was referring to
25 there?

JB69SCO2

Ignatov - Direct

1 A. The days before I learned that Amer Abdulaziz took the
2 money he stole and he started to buy a lot of racing horses for
3 more than 25 million euros.

4 Q. And the money that he was using to buy those race horses,
5 what was your understanding of where it was from?

6 A. OneCoin investors.

7 Q. And when Velizara wrote "our cash," what did you understand
8 her to mean by that?

9 A. OneCoin investors' money.

10 Q. And what was your understanding of what Amer Abdulaziz was
11 supposed to have done with that money?

12 A. Either keep it or give it back to Ruja or OneCoin.

13 MR. FOLLY: Mr. Barile, can you publish to the witness
14 and the jury what's in evidence as Government Exhibit 3001.

15 If we could actually turn to the second page.

16 Q. Mr. Ignatov, what is shown in this exhibit?

17 A. These are three documents I sent Maya after I told her that
18 I will send her some things that she needs to double and triple
19 check.

20 Q. Is this a text message conversation?

21 A. Yes. Between Maya and me.

22 Q. And the column that's in green, who was writing those
23 messages?

24 A. This is me.

25 Q. And the column that's in blue, who was writing those

JB69SCO2

Ignatov - Direct

1 messages?

2 A. Maya Antonova.

3 MR. FOLLY: We can scroll down a little bit. Pause
4 there. If you could actually focus on page 2 right there.
5 Pause. Highlight the message from Konstantin Ignatov that
6 starts with "These papers."

7 Q. It says: These papers should be reviewed by you as they
8 may indicate that someone in the company has been complicit in
9 the transfers.

10 What was being discussed in this text message
11 exchange?

12 A. At this time we were pretty convinced that Irina Dilkinska
13 is stealing money from OneCoin and we wanted to see if she is
14 working with Amer Abdulaziz taking the money there.

15 Q. Focusing on the attachments that you attached to this text
16 message exchange, if we could zoom back up, those three
17 attachments there, what was contained in those attachments?

18 A. Velizara from the Dubai office sent me some -- an account
19 opening detail and some account statements.

20 Q. What account -- what accounts did these pertain to?

21 A. From Phoenix Dubai.

22 MR. FOLLY: Let's have a look at the Government
23 Exhibit 3001A which is the PDF attachment to that text message
24 exchange. At the top it says New Account Relationship Form -
25 Retail Account. Appears to be an Emirates NBD account.

JB69SC02

Ignatov - Direct

1 And if we could zoom back out. And zoom in on the
2 name at the top of the account there. The name is Phoenix Fund
3 Investments.

4 Zoom back out and go to the second page. And if we
5 could zoom in on the name of the authorized person shown there,
6 which is Amer Abdulaziz.

7 (Continued on next page)

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JB63SC03

Ignatov - Direct

1 BY MR. FOLLY:

2 Q. Just going back to that first page, on the first page, at
3 the top under name Phoenix Fund Investments, what was your
4 understanding of what Phoenix Fund was?

5 A. The company of Amer Abdulaziz in Dubai.

6 MR. FOLLY: Just look at the Phoenix Fund account
7 statement which is in evidence as Government Exhibit 301-B.
8 And Mr. Barile, if you could go down first to row 85. And if
9 you could just adjust the page so we're actually a little bit
10 further to the right. On column O, it states Fenero equity in,
11 and there is a 10 million transfer reference there.

12 Can we go to 94. We can do 94 and 95 both. Once
13 again, there's two Fenero equity in transfers 5 million and 10
14 million.

15 We can also add 97. Once again, Fenero equity in, 10
16 million.

17 We can go to 120, 123, as well as 121. There's three
18 more Fenero equity in, 20 million, 30 million, and 20 million.
19 These are all dated in March 2017. It says remittance.

20 We can also add 125 and 126. These are also dated in
21 March. Both from Fenero equity in, 30 million and 20 million.

22 You can go to 130 and 132. These ones are from late
23 February 2017. Both from Fenero equity in the amounts of 20
24 million and 10 million.

25 Q. Mr. Ignatov, all of the transfers we just looked at appear

JB63SC03

Ignatov - Direct

1 to have been from Fenero. Did you see that?

2 A. Yes.

3 Q. What was Fenero, to your understanding?

4 A. Irina told me Fenero is Mark Scott.

5 Q. When you say Fenero was Mark Scott, what was your
6 understanding of what that meant?

7 A. That Mark Scott is in charge of Fenero, and I learned that
8 Fenero is one of the entities that is in charge of the money
9 laundering.

10 Q. To your knowledge, who introduced Mark Scott to Ruja?

11 A. Maya and Irina always said that Mark Scott is one of
12 Gilbert's people. So I think it was Gilbert Armenta.

13 Q. When did you first meet Gilbert Armenta?

14 We can take that exhibit down.

15 A. It was in July 2016.

16 Q. Where did you first meet Gilbert Armenta?

17 A. In Sofia, Bulgaria.

18 MR. FOLLY: Mr. Barile, can you publish to the witness
19 and the jury what's in evidence as Government Exhibit 1160.
20 And the bottom e-mail from Konstantin Ignatov on July 26, 2016,
21 says: Dear Gilbert, it was a pleasure for me to meet you
22 finally. Hope you had a safe flight back. And we will meet
23 again soon. And don't bother if Ruja is trying to sell your
24 dog. I will buy him so you can visit him in his exile every
25 time. Smiley face. That's dated July 26, 2016.

JB63SC03

Ignatov - Direct

1 Q. Mr. Ignatov, in the bottom of the e-mail when you say "it
2 was a pleasure to meet you finally," what were you referring
3 to?

4 A. To the first meeting with Gilbert Armenta.

5 Q. In addition to -- where did that meeting take place?

6 A. In Sofia, Bulgaria.

7 Q. In addition to meeting Gilbert Armenta in Sofia, Bulgaria,
8 did you meet him anywhere else in Bulgaria?

9 A. I met him also in Sozopol at the seaside of Bulgaria.

10 Q. What was the occasion when you met him there?

11 A. This was of the Christening party of her daughter Davina.

12 Q. Approximately when was that?

13 A. This was around May 2017.

14 MR. FOLLY: Mr. Barile, can you publish what's in
15 evidence as Government Exhibit 118.

16 Q. Mr. Ignatov, what's shown in this first photograph?

17 A. The party of the Christening in Sozopol.

18 Q. Did you attend that party?

19 A. Yes, I did.

20 Q. Can we go to the second page.

21 Is that another photograph from the party?

22 A. Yes, and you also see on the right side part of the
23 mansion.

24 Q. Part of the mansion?

25 A. Yes.

JB63SC03

Ignatov - Direct

1 Q. You can turn now to the third photograph. Mr. Ignatov, who
2 is in this photograph starting from left to right?

3 A. This is on the left is Ruja Ignatova. In the middle is my
4 father Plamen. Right is Sebastian Greenwood, and on right side
5 of Sebastian Greenwood in the white shirt, the blond gentleman,
6 is Anatoly who was working for RavenR.

7 Q. Is that the same individual you testified about earlier?

8 A. Yes.

9 Q. You can now go to the next photograph.

10 Mr. Ignatov, whose shown in this photograph?

11 A. You see in the long dress Ruja Ignatova, on the right with
12 the black shirt is Sebastian Greenwood. On the left side of
13 Sebastian with the white shirt is Ruja's husband Bjorn. And
14 the others are employees of OneCoin.

15 Q. Where did Ruja's husband live?

16 A. In Frankfurt, Germany.

17 Q. Where did Ruja live?

18 A. In Sofia, Bulgaria.

19 Q. Now go to the next photograph. What's shown in this
20 photograph?

21 A. This is part of the party where the pop singer Bebe Rexha
22 was singing, and Ruja, Sebastian, and several OneCoin employees
23 are there. For example, you can see Irina Dilkinska, she is
24 behind the lady with the flower dress holding -- Irina has
25 black hair, a gray shirt, and holding a boy.

JB63SC03

Ignatov - Direct

1 Q. A little to the left and down slightly I believe. Is that
2 who you were referring to?

3 A. Yes.

4 Q. And that's Irina Dilkinska?

5 A. Yes.

6 Q. During your trip to Sozopol for the Christening,
7 approximately how long were you there for?

8 A. I was around five days there.

9 Q. Was Gilbert Armenta there during that trip?

10 A. Yes, he was.

11 Q. Did you have any conversations with Gilbert Armenta during
12 that trip?

13 A. Almost every day while I was working out in the basement,
14 he was sitting next to me and we were talking.

15 Q. What types of conversations did you have with him when you
16 were working out and he was sitting there talking to you?

17 A. In most cases we were talking about sports, our dogs, or
18 about women. But one time he also mentioned his business
19 relationship to Ruja.

20 Q. What did he say about his business relationship with Ruja?

21 A. He said that the work he does with and for Ruja is
22 following him like a big black shadow.

23 Q. What was your understanding of what he meant by that?

24 A. Ruja never allowed me to ask her business partners or
25 friends questions in detail. But I assumed that Gilbert has a

JB63SC03

Ignatov - Direct

1 bank in Georgia -- the European Georgia -- and Ruja has a lot
2 of funds that might get frozen, and I was pretty sure that
3 Gilbert is involved in moving these funds.

4 Q. What was your understanding of where that money was from?

5 A. From OneCoin investors.

6 Q. Did you ever have any conversations directly with Ruja
7 about the work that Armenta, Gilbert Armenta was doing for her?

8 A. Shortly before she disappeared, she told me that Gilbert
9 Armenta is an international money launderer.

10 Q. Approximately when was that?

11 A. This was around fall 2017.

12 Q. We'll come back to details of that particular conversation
13 in just a few minutes.

14 Was Gilbert Armenta, to your knowledge, working alone
15 or with anyone else?

16 A. He was working with others.

17 Q. Did you learn who any of those people were who Gilbert
18 worked with?

19 A. For example, Alex Ortega, Mark Scott, and Amer Abdulaziz.

20 Q. Aside from Mark Scott who you spoke about earlier, did you
21 ever meet any of those individuals?

22 A. I met Alex Ortega in fall 2016 in Mexico City.

23 Q. What part of the world did Alex Ortega work in?

24 A. Latin America.

25 MR. FOLLY: Mr. Barile, if you could publish to the

JB63SC03

Ignatov - Direct

1 witness and the jury what's in evidence as Government Exhibit
2 1009. An e-mail from Gilbert Armenta to Veneta Peeva at
3 OneCoin cc'ing Ruja Ignatova and Roger Cook and Alex are also
4 on this e-mail chain. It says: Hello Veneta, please be
5 introduced to Alex Ortega. He resides in Sao Paolo and will
6 coordinate formation of One Network Brazil. Opening of Sao
7 Paolo Brazil local bank accounts, Alex, please open two at
8 different banks.

9 You can take that down. Actually, Mr. Barile, if you
10 can put it back up I think I omitted the date on the e-mail.
11 This was in, this was October 25, 2015.

12 We can take that down.

13 Q. Mr. Ignatov, during your testimony yesterday and today, you
14 mentioned several times that Ruja Ignatova disappeared in 2017.
15 Is that correct?

16 A. Yes.

17 Q. Have you seen her since that time?

18 A. No.

19 Q. Have you spoken with her since that time?

20 A. No.

21 Q. Let's go through the events leading up to her
22 disappearance. What was the first thing that happened?

23 A. In summer 2017, after the Christening of her daughter, Ruja
24 asked me to book her a flight to Bishkek, which is the capital
25 city of Kyrgyzstan. So I did. And when she came back, she

JB63SC03

Ignatov - Direct

1 told me she bought a fake passport there.

2 Q. Did you have any discussions with her about the fake
3 passport that she had purchased?

4 A. Yes, to me it sounded pretty strange she needed one, and I
5 asked her why she bought one, and she said that everybody
6 around her has one, for example, Gilbert Armenta and Sebastian
7 Greenwood, and she said Frank Schneider told her it might be
8 useful to have one.

9 Q. Is that the same Frank Schneider that you testified about
10 earlier?

11 A. Yes.

12 Q. I want to direct your attention to the fall of that same
13 year, 2017. Did you take a trip with Ruja around that time?

14 A. Yes, to Paris.

15 Q. Who went on that trip?

16 A. Ruja wanted to go with her boyfriend Gilbert Armenta there
17 and to take his son also to impress him. But, shortly before
18 the trip started, Gilbert Armenta canceled the trip, so she
19 went with his son and I was accompanying them to take care of
20 his son, of Gilbert's son.

21 Q. That was in the fall of 2017?

22 A. Yes.

23 Q. Approximately how long was the trip?

24 A. A little less than a week.

25 Q. I want to direct your attention to the end of that trip.

JB63SC03

Ignatov - Direct

1 Did anything unusual happen?

2 A. Usually when I traveled with Ruja, I traveled back home
3 with her. But this time, she traveled somewhere else because
4 it seemed like something bad happened. And she told me to go
5 alone home, she has some things to do.

6 Q. After you returned from that trip, can you describe Ruja's
7 mood?

8 A. In the following weeks, her mood got only worse and worse.
9 And as her brother I wanted to know how -- how she's doing.
10 What is happening with her. And I went and I bought her
11 favorite food. And I wanted to surprise her, so I drove to her
12 house to talk to her.

13 Q. What happened when you arrived at Ruja's house to speak
14 with her?

15 A. I witnessed her having more or less a nervous breakdown.

16 Q. Describe what you discussed with her.

17 A. Ruja told me that Gilbert Armenta had some problems with
18 the FBI, and he wants to make some kind of deal with them. So,
19 he's giving Ruja in exchange to the FBI.

20 Q. Where did that conversation take place?

21 A. In the living room of Ruja's house.

22 Q. What was Gilbert's -- Gilbert Armenta's relationship with
23 Ruja at that time?

24 A. He was her boyfriend and her business partner.

25 Q. Was Gilbert Armenta married or was he single?

JB63SC03

Ignatov - Direct

1 A. Married.

2 Q. Prior to this conversation, did Ruja ever discuss her
3 relationship with Gilbert Armenta with you?

4 A. Very often. They were talking about leaving their spouses,
5 moving together, marrying and having kids. They were even
6 talking about how they want to name the kids.

7 Q. Where was Gilbert living at that time of this conversation?

8 A. In Florida.

9 Q. Florida in the United States?

10 A. Yes.

11 Q. You mentioned that Ruja told you during this conversation
12 that Gilbert Armenta was in trouble with the FBI. Is that
13 correct?

14 A. Yes.

15 Q. How did Ruja obtain that information about Gilbert Armenta
16 being in trouble with the FBI?

17 A. An apartment below Gilbert Armenta was bought and a hole
18 interceding was drilled so a microphone was placed in Gilbert's
19 dorm.

20 Q. Let's walk through that just so we're clear. At the time
21 Gilbert Armenta was living in Florida in the United States; is
22 that correct?

23 A. Yes.

24 Q. And to your knowledge, he was living with his wife?

25 A. Yes.

JB63SC03

Ignatov - Direct

1 Q. And you mentioned that an apartment was bought underneath
2 Gilbert Armenta's apartment; is that correct?

3 A. Yes.

4 Q. Who was involved with the purchase of that apartment?

5 A. One of Frank Schneider's people bought the apartment, and
6 pretended to live in this apartment. And he was also drilling
7 the hole in the ceiling to place the microphone.

8 Q. What was the purpose of placing the microphone in the hole
9 through the ceiling?

10 A. Ruja didn't trust Gilbert that he really wanted to leave
11 his wife, because she had some person already on his wife to
12 pretend that she's friends with her, so that Ruja gets
13 information what's going on there. And she did not trust
14 Gilbert if he really wants to leave his wife. This is the
15 reason why she put in the microphone, she told me.

16 Q. Focusing on what Ruja told you that she had learned through
17 listening to Gilbert Armenta's conversations. What did Ruja
18 tell you that she had learned about Gilbert Armenta by
19 listening to those conversations?

20 A. She said that he stole her money, and that he and his wife
21 are making a very good life out of it. She said that, for
22 example, he's financing his private jet with this money, and
23 all of the expensive gifts that he made her is paid by her
24 money. And almost everything on luxury that he has in his life
25 at the moment is paid with her money. And she said that he and

JB63SC03

Ignatov - Direct

1 his wife are making a lot of fun about her.

2 Q. You also mentioned that your sister told you about
3 information that she had learned about Gilbert Armenta working
4 with the FBI. Is that right?

5 A. Yes.

6 Q. What did she tell you about that information?

7 A. She told me that Gilbert Armenta is an international money
8 launderer, and also involved in several other crimes and that
9 the FBI got him or something. And that he was talking to his
10 lawyer and to several other people that he wants to make a deal
11 with the FBI. And as part of this deal, he wants to offer Ruja
12 and everything, according to her.

13 Q. To your understanding, was that information she had learned
14 through listening to recordings of Gilbert Armenta's
15 conversations?

16 A. Yes.

17 Q. Did you yourself ever hear any of those recordings of
18 Gilbert Armenta's conversations?

19 A. No, I did not.

20 Q. Did Ruja ever show you any evidence of those recordings?

21 A. She didn't show me, but when she went to use the bathroom,
22 I saw a transcript, kind of a printout, that was on the table,
23 and I had a glance on it and it was Gilbert Armenta talking to
24 somebody exactly about this.

25 MR. FOLLY: Mr. Barile, could you please publish

JB63SC03

Ignatov - Direct

1 what's in evidence as Government Exhibit 1603. If we could
2 publish that with the transcript as well.

3 (Audio recording playing)

4 Q. Mr. Ignatov, prior to today's testimony, had you heard that
5 call before?

6 A. No.

7 Q. What was next thing that happened after you had this
8 conversation with Ruja in her home about the events that were
9 going on with Gilbert Armenta?

10 A. Can you please repeat the question? Because reading this
11 about my sister is a little bit emotional and touching to me.
12 Excuse me. Can you repeat it?

13 Q. Yes. We can take down the transcript from the screen. You
14 can take a moment. There's some water there if you like.

15 A. Thank you. I'm okay.

16 Q. Mr. Ignatov, I think it's obvious, but did you recognize
17 the voice of who was on that phone call?

18 A. Yes, this was my sister, Ruja.

19 Q. Going back to the conversation that you had with Ruja in
20 her home where she was telling you what was going on with
21 Gilbert Armenta. Can you describe what happened after that
22 conversation.

23 A. Afterwards she was very tired. And she told me that I
24 don't have to be afraid, that everything will be okay.

25 Gilbert's plan won't work out. So afterward I went home, and a

JB63SC03

Ignatov - Direct

1 few days later she called me and just said that I have to set
2 up meetings with everybody from the management group of
3 OneCoin, so that they come to see her at her house.

4 Q. Did you in fact set up those meetings?

5 A. Yes, and everybody came on the same afternoon. And one
6 after the other, they had a meeting with her.

7 Q. Where did those meetings take place?

8 A. In Ruja's office.

9 Q. Was that her home office?

10 A. Yes.

11 Q. Where were you during those meetings?

12 A. I was sitting in the kitchen.

13 Q. That's the kitchen of the same house?

14 A. Exactly.

15 Q. Why were you in the kitchen?

16 A. Well, I had no involvement in this meetings, so I was
17 sitting where the wi-fi was the best.

18 Q. What happened after those meetings finished?

19 A. Afterwards Ruja called me into her -- home office. And she
20 told me that she wants me to book her a flight for two days
21 later to Vienna, and she said she would be traveling there, but
22 she would be back very soon. I don't have to be worried and to
23 stay calm.

24 Q. What happened after that?

25 A. I book a flight for her to Vienna on same day, and the next

JB63SC03

Ignatov - Direct

1 day she called me that she needs for this day she wanted to fly
2 to Vienna, to fly to Athens. I asked her if she wants me to
3 cancel the flight to Vienna, and she said no. She started
4 screaming at me that she needs both flights. So she got both
5 flights. I didn't cancel any of them.

6 Q. What happened at that point?

7 A. Oh. On next day, Ruja and one of her security guards flew
8 to Athens, and the security guard came back alone the same
9 evening.

10 Q. What happened then?

11 A. He told me that he left Ruja there, and there were people
12 who took her and she was -- she continued traveling with them.

13 Q. Did he say anything about the individuals who met her at
14 the airport?

15 A. He said that -- the only thing that he said was that they
16 are speaking Russian.

17 Q. Did you know of any connection between Ruja and anyone in
18 Russia?

19 A. In the last months before Ruja disappeared, she told me
20 that she met somebody who is very powerful and rich from
21 Russia. But I never met him, or she never -- and she also
22 never told me his name.

23 Q. On the day that she traveled, did you have an understanding
24 of what, if anything, she brought with her?

25 A. Her security guard told me she only brought her purse with

JB63SC03

Ignatov - Direct

1 her.

2 Q. When was the last time that you saw Ruja?

3 A. Two days before she disappeared.

4 Q. When was the last time that you communicated with her in
5 any way?

6 A. The day she disappeared.

7 MR. FOLLY: If we can publish Government Exhibit 2102
8 which is in evidence. We can blow up the whole top portion.
9 It is an e-mail between from Dr. Ruja Ignatova to Sebastian G.
10 dated 8/9/2014. The subject of the e-mail is exit strategy.
11 My thoughts. Then at the top it says:

12 Exit strategy. We have several options. And this doc
13 is just for you and me, not for Nigel. To Nigel we just show
14 the "good" ones, numbers three and five.

15 And then the number one listed here is take the money
16 and run and blame someone else for this. Standard approach.
17 See Wenyard.

18 We can take this down.

19 Q. Mr. Ignatov, after Ruja disappeared, did you take any steps
20 to find her?

21 A. Yes. First we took a private investigator, but this wasn't
22 very successful. And the next step was talking to Frank
23 Schneider if he could do anything.

24 Q. What did you discuss with Frank Schneider about finding
25 Ruja?

JB63SC03

Ignatov - Direct

1 A. The first meeting after she left was around four weeks
2 later. And he wanted to start looking for her immediately. I
3 told him that she told me that she should be back soon, so
4 let's give her around one month more. And if she doesn't come
5 back within this time period, then we should really start
6 looking for her.

7 Q. Did you have any additional conversations with him about
8 finding Ruja?

9 A. Yes, a few months later he came to the Sofia office and he
10 brought two gentlemen with him. He said that one of them was
11 responsible to have a line with Gilbert, and the other one was
12 a former Special Forces employee that was responsible for
13 kidnapping of persons.

14 Q. Were any of those efforts to find Ruja successful?

15 A. No.

16 Q. Prior to Ruja's disappearance, what methods of
17 communication did Ruja use?

18 A. Ruja used in most cases a mobile phone for calls, for
19 e-mails of messenger services. And for the important
20 conversations, she used a crypto phone.

21 Q. The last thing you mention for important conversations was
22 a crypto phone. Can you explain what you meant by that?

23 A. A crypto phone encrypts your phones. This means that
24 nobody can listen to them.

25 Q. Where would Ruja obtain the crypto phones?

JB63SC03

Ignatov - Direct

1 A. From Velizara, the office manage of the Dubai OneCoin
2 office.

3 Q. Did you know of anyone else who used these crypto phones?

4 A. Yes. For example, Sebastian Greenwood, Irina Dilkinska,
5 Gilbert Armenta, and Mark Scott.

6 Q. Did you ever use a crypto phone?

7 A. No.

8 MR. FOLLY: Mr. Barile, can you publish to the jury
9 what's already in evidence as Government Exhibit 4059. We can
10 zoom in on that. Dated January 23, 2017. It's from Mark Scott
11 to Konstantin Ignatov. It says: Hi, Konstantin, I need to
12 rest my crypto cell. My pin not working and apps missing. Can
13 you help? Best, Mark.

14 Turning to your response -- actually, before we pull
15 that down.

16 Q. Mr. Ignatov, what was your understanding of what Mark Scott
17 was referencing in this e-mail?

18 A. People around Ruja that were using crypto phones were
19 always asking me about how they can make the crypto phones work
20 when somebody doesn't work the way they want to use it.

21 MR. FOLLY: We can go to Government Exhibit 4060. In
22 response you wrote: Hi, Mark. We can fix it if you send it to
23 our Dubai office. Would this be possible?

24 Then if we could go to the response in Government
25 Exhibit 4061. Mark Scott wrote in response, January 23, 2017:

JB63SC03

Ignatov - Direct

1 Sure. Please provide me with the address and a contact person.

2 Thanks.

3 And then finally if we could go to your response to
4 that in the next e-mail, which is: Hi, Mark. This is the
5 address. Coin United Velizara Ivanova. And there is an
6 address listed which is in Dubai.

7 Q. Mr. Ignatov, who is Velizara Ivanova?

8 A. She is the office manager of OneCoin Dubai.

9 MR. FOLLY: Mr. Barile, if you could publish
10 Government Exhibit 1035. If we could actually zoom in on the
11 top portion of that e-mail there. It's dated 2/11/2016. It's
12 from Mark Scott to Denitza Godeva. It says: Keep at 10 a.m.
13 Let's not mess up her entire day. I can discuss remainder once
14 we get crypto cell going. Smiley face.

15 Q. Mr. Ignatov, there is a reference in this e-mail to Denitza
16 Godeva. Do you see that?

17 A. Yes.

18 Q. Can you remind us who that is?

19 A. She was Ruja Ignatova's personal assistant who had an
20 affair with Sebastian Greenwood and got fired afterwards.
21 Before I took this job.

22 MR. FOLLY: If we can turn to Government Exhibit 1057.
23 And the bottom e-mail there from D. Godeva at RavenR and it's
24 to MSSScottLaw@Gmail. Subject crypto number. It says: Hi,
25 Mark. Crypto phone Ruja 149485.

JB63SC03

Ignatov - Direct

1 If we can now turn to Government Exhibit 1372,
2 starting at the bottom. It is an e-mail from January 17, 2017.
3 It's from Konstantin Ignatov to GValentin@zalagroup.com.

4 Q. Mr. Ignatov, who is GValentin@zalagroup.com?

5 A. This is Giselle Valentin, the personal assistant of Gilbert
6 Armenta.

7 MR. FOLLY: The subject of this e-mail is crypto
8 phone. It says: Hi, Giselle, hope you are doing fine. I need
9 you to send Gilbert's crypto phone to Dubai so we can unlock it
10 and give him the right passwords. When do you think this could
11 happen?

12 You can zoom back out. And in response Giselle
13 Valentin says: I have the phone. Please advise of address to
14 send.

15 Then above that, you wrote that: Forgot the number of
16 Velizara, and then you include the phone number referenced
17 there.

18 Mr. Barile, if we can publish Government Exhibit 1601
19 and the transcript that goes along with that.

20 (Audio recording playing)

21 Q. Mr. Ignatov, do you recognize the voice on that recording?

22 A. This is Ruja Ignatova.

23 MR. FOLLY: If we could publish 1602. Go to 1602,
24 along with the transcript.

25 (Audio recording playing)

JB63SC03

Ignatov - Direct

1 Q. Going to the front page, it's dated September 28, 2017.

2 Mr. Ignatov did you recognize the date -- I'm sorry. The voice
3 of the individual speaking on that phone call?

4 A. Yes, Ruja Ignatova.

5 Q. I want to switch topics now and ask you some questions
6 about an individual named Frank Ricketts. Are you familiar
7 with anyone by that name?

8 A. Yes.

9 Q. Who is Frank Ricketts?

10 A. Frank Ricketts was the owner of SiteTalk and IMS. After
11 Ruja bought SiteTalk, he was a very high ranked member of the
12 OneLife network. And at the end he was a top leader of the
13 network.

14 Q. Have you met Frank Ricketts before?

15 A. Yes, several times.

16 Q. Approximately how many times?

17 A. Around 10 times.

18 MR. FOLLY: You can show the witness only what's been
19 marked as Government Exhibit 127.

20 Q. Mr. Ignatov, do you recognize that?

21 A. Yes, this is Frank Ricketts.

22 MR. FOLLY: The government offers Government Exhibit
23 127.

24 MR. DEVLIN-BROWN: No objection.

25 THE COURT: 127 will be received.

JB63SC03

Ignatov - Direct

1 (Government's Exhibit 127 received in evidence)

2 MR. FOLLY: We can publish that.

3 Q. Mr. Ignatov, a moment ago you mentioned that Frank Ricketts
4 had two companies. One of them you mentioned was SiteTalk and
5 the other was IMS.

6 Starting first with SiteTalk. What is your
7 understanding of what SiteTalk was?

8 A. In the beginning I thought that SiteTalk is just something
9 like a social media that Ruja bought. Because she told me she
10 wanted to implement it as a new feature for the OneLife users.
11 Later on, I learned that there's also a network involved, so
12 that it is multilevel marketing company. And many people were
13 after Frank Ricketts because of fraud and they wanted their
14 money back. And in the end, these people who didn't get their
15 money back from Frank Ricketts, they tried to get their money
16 back from OneCoin.

17 MR. DEVLIN-BROWN: Objection to "later on."

18 THE COURT: Overruled.

19 Q. You mentioned that at some point SiteTalk was purchased.
20 Is that correct?

21 A. Yes, Ruja bought it.

22 Q. I'm sorry. Say that again?

23 A. Ruja bought it for OneCoin.

24 Q. In addition to SiteTalk, you mentioned that Frank Ricketts
25 had a company called IMS. Is that correct?

JB63SC03

Ignatov - Direct

1 A. Yes.

2 Q. To your knowledge, did Frank Ricketts work alone or with
3 anyone else at IMS?

4 A. With others, for example, his business partner Kenny
5 Nordland, also his wife.

6 Q. Can you describe Frank Ricketts' relationship with Ruja
7 Ignatova?

8 A. Frank Ricketts did not only sell her the company of
9 SiteTalk, he was at some time also Ruja's consultant how she
10 can avoid law enforcement, and how she can avoid prosecution.
11 Because Frank Ricketts himself had a lot of problems with
12 prosecutions, but never really got in jail for it, and always
13 got away with it.

14 Q. How did you learn about that?

15 A. He told me very often and he was very proud of it, that he
16 was the consultant of Ruja for this topics.

17 Q. Mr. Ignatov, I want to ask you some additional questions
18 about Mark Scott. Did there come a time when you learned that
19 Mark Scott had been arrested?

20 A. Yes.

21 Q. Approximately when was that?

22 A. This was in fall 2018.

23 Q. Approximately how many days after his arrest did you learn
24 that he was arrested?

25 A. Approximately two days later, in some OneCoin chat groups I

JB63SC03

Ignatov - Direct

1 saw people posting links according to his arrest.

2 Q. Did you have any conversations with anyone at OneCoin about
3 that?

4 A. Yes. Maybe again two days later Irina came to the office,
5 in Sofia, and she was panicking a lot and she told me that --
6 sorry my language -- she's fucked now. Because she's in all
7 papers with Mark Scott, and when they got him they will also
8 get her.

9 Q. Where did that conversation with Irina Dilkinska take
10 place?

11 A. In the Sofia head office of OneCoin.

12 Q. What was Irina Dilkinska's demeanor during that
13 conversation?

14 A. She was panicking, she was really going crazy.

15 Q. What did she say to you?

16 A. She said that she's fucked. And that she's in all of the
17 documents with Mark Scott, and that when they got him, they
18 will also get her. So that she's got a lot of problems now.

19 Q. During that conversation with Irina, what, if anything, did
20 she say about Mark Scott?

21 A. She said that for the risk he took, he got paid a lot of
22 money. And if somebody in OneCoin is talking about a lot of
23 money, as I mentioned today, it is something in the higher
24 million range.

25 Q. What did you understand Irina meant when she said Mark

JB63SC03

Ignatov - Direct

1 Scott had been paid a lot of money to take the risk?

2 A. Well, at that time, I knew that Mark Scott was laundering
3 money for Ruja and OneCoin.

4 Q. After this conversation in the OneCoin office, did you have
5 any additional discussions with Irina about Mark Scott's
6 arrest?

7 A. A few days later, at the office of the law firm that is
8 providing services to OneCoin, Irina came in and she was again
9 very panicking, but this time she was very demanding. And she
10 demanded the lawyers to hand her out all of the documents of
11 OneCoin so she can find every document that she's in with Mark
12 Scott, so that she can destroy them like she destroyed the
13 documents she had at home.

14 Q. You referenced that she had destroyed documents at her
15 home. What, if anything, did she say to you about that?

16 A. She said that she burned them all.

17 Q. What was your understanding of what documents those were?

18 A. These were documents where Irina was also mentioned to be
19 in some companies with Mark Scott.

20 Q. Mr. Ignatov, just focusing on the conversation that took
21 place at that law firm that you just referenced. What was your
22 understanding of what Irina wanted to do with the documents
23 that were at the law firm?

24 A. She wanted to go through all the documents to find the ones
25 that she is in with Mark Scott, and I think she wanted to burn

JB63SC03

Ignatov - Direct

1 them too, like the ones she did that she had at home.

2 Q. Did that in fact happen?

3 A. No. The lawyers told her that they moved the documents to
4 somewhere where they have a safe.

5 MR. FOLLY: No further questions, your Honor.

6 THE COURT: Okay. Rather than go to cross now, since
7 it's only about four minutes before our next break, we'll take
8 our break now. And we'll reconvene at five minutes after hour.
9 Okay. Don't discuss the case.

10 (Jury excused)

11 THE COURT: Mr. Ignatov can step down. Anything we
12 need to discuss?

13 MR. DEVLIN-BROWN: I don't think so.

14 (Recess)

15 (Continued on next page)

JB69SCO4

Ignatov - Cross

1 THE COURT: We're going to give them a couple of extra
2 minutes because they just brought the snacks back there.

3 We're getting the jury.

4 (Jury not present)

5 MR. DiMASE: Your Honor there is one quick issue to
6 raise. We can do it at sidebar if that's appropriate.

7 THE COURT: Let's do it at sidebar.

8 (At sidebar)

9 THE COURT: Do you want to give me a preview?

10 (In open court)

11 THE DEPUTY CLERK: All rise.

12 (Jury present)

13 THE COURT: Everyone please be seated. We're going to
14 take a very quick sidebar. We'll be right with you.

15 (Continued on next page)

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JB69SCO4

Ignatov - Cross

1 (At sidebar)

2 MR. DiMASE: Your Honor, the defense let us know
3 earlier today or maybe it was last night that they intend to
4 introduce a portion of a video in which Ms. Ignatova speaks
5 about the blockchain that was not excerpted from any of the
6 videos that the government offered today. We don't have any
7 issue with the authenticity of the video. It's from YouTube.
8 That's not the concern.

9 It goes back to this admissibility question. There is
10 no evidence that we're aware of that Mark Scott saw this
11 particular video. Unlike the audit reports it's not tethered
12 to the testimony of this witness. He did speak about audit
13 reports. I take the Court's ruling on that point.

14 This video has not been introduced into evidence, any
15 other portion of it. And to the extent that the defense wishes
16 to introduce this and it is admissible I think the appropriate
17 time for that would be in the defense case, not through this
18 witness. So we would object to its admission at this time and
19 continue to reserve the right to object to its admissibility at
20 any point. But certainly at this time it seems --

21 THE COURT: OK.

22 MR. DEVLIN-BROWN: Your Honor, the government got
23 admitted a number of videos via stipulation and I think they've
24 agreed they're not contesting the authenticity of this. Many
25 of the videos this witness had never seen. They were from time

JB69SCO4

Ignatov - Cross

1 periods before he had joined OneCoin. And the government
2 played them to ask the witness about people in the videos about
3 things Ruja said, what he understood those things to mean then
4 and even what do you understand it to mean today. They had
5 wide latitude. And I think that's appropriate for the defense
6 as well.

7 THE COURT: What is the video that you plan to use?

8 MR. DEVLIN-BROWN: It's one of these videos on the
9 OneCoin channel where Ruja is talking and she talks about in
10 the excerpt we want to play -- I don't remember but essentially
11 that there's a blockchain and it's secure and they have an
12 audit.

13 THE COURT: When do you intend to use it?

14 MR. DEVLIN-BROWN: I mean this is going to go into
15 tomorrow so I can move it to then.

16 THE COURT: So let's talk about it -- maybe you'll
17 show it to me later on.

18 MR. DiMASE: That's fair. Thank you, your Honor.

19 (Continued on next page)
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JB69SCO4

Ignatov - Cross

1 (In open court)

2 THE COURT: Cross-examination.

3 MR. DEVLIN-BROWN: Thank you, your Honor.

4 CROSS-EXAMINATION

5 BY MR. DEVLIN-BROWN:

6 Q. Good afternoon, Mr. Ignatov. How are you?

7 A. Good afternoon. I'm OK. How are you?

8 Q. So my name is Arlo Devlin-Brown. I'm one of Mr. Scott's
9 lawyers over there. We haven't met before, I don't believe,
10 right?

11 A. Not yet.

12 Q. So, before your direct testimony ended I believe you had
13 been discussing statements that Irina Dilkinska made to you
14 after Mr. Scott was arrested; is that right?

15 A. Yes.

16 Q. And he was arrested I believe in September 2018. Does that
17 sound right?

18 A. Summer and fall.

19 Q. And earlier today you have been talking about statements
20 that Irina Dilkinska made to you about Mark Scott in the time
21 period of June or so 2018; is that right?

22 A. Yes.

23 Q. And those were the statements she made to you with respect
24 to whether Mark Scott could help get some money that was
25 apparently owed to OneCoin; is that right?

JB69SCO4

Ignatov - Cross

1 A. Yes.

2 MR. DEVLIN-BROWN: Could we, Mr. Barile, if you don't
3 mind putting Government Exhibit 3001 into -- which is in
4 evidence on display for all to see.

5 Q. So I know it's a little bit blurry here but do you recall
6 being shown this e-mail earlier today -- I mean this chain of
7 texts earlier today, Mr. Ignatov?

8 A. Yes.

9 Q. And you testified after seeing this chain of texts that by
10 this time you believed that Ms. Dilkinska was stealing from
11 OneCoin; isn't that right?

12 A. Yes.

13 Q. And this is in April of 2018, right?

14 A. Yes.

15 Q. And what you testified about earlier today in terms of
16 statements Ms. Dilkinska made to you about Mark Scott occurred
17 after this date, right?

18 A. Yes.

19 Q. So by April 2018 you had serious questions about her
20 honesty, wouldn't that be fair to say?

21 A. Yes. That's correct.

22 Q. We'll come back later to what Ms. Dilkinska told you but
23 I'd like to first talk more about your own dealings with
24 Mr. Scott.

25 So I believe you testified on direct that you had only

JB69SCO4

Ignatov - Cross

1 met Mr. Scott once other than in this courtroom?

2 A. Yes.

3 Q. OK. And just to clarify. You've been at OneCoin in one
4 role or another since about June of 2016, right?

5 A. Yes.

6 Q. And after your sister Ruja disappeared in October 2017 you
7 took on a role as part of the management group of OneCoin; is
8 that right?

9 A. Yes.

10 Q. You eventually became one of the top OneCoin leaders,
11 right?

12 A. Yes.

13 Q. So in this entire period between June 2016 and the time of
14 your arrest you've met Mark Scott once?

15 A. Yes.

16 Q. You've also never spoken to Mark Scott on the telephone,
17 have you?

18 A. No. I never spoke to him on the phone.

19 Q. Not a regular phone or a cryptophone, right?

20 A. Not on a phone.

21 Q. You haven't exchanged text messages with Mark Scott?

22 A. Only via e-mail.

23 Q. But no text messages, right?

24 A. Not that I recall.

25 Q. No messages using apps, WhatsApp, for example?

JB69SCO4

Ignatov - Cross

1 A. I don't recall having his mobile number. I think we only
2 communicated via e-mail.

3 Q. Let's go back to your meeting with Mr. Scott. I believe
4 you testified it was in July of 2016. Does that sound right?

5 A. Yes.

6 Q. And you testified about some of the details you recalled
7 about that meeting from -- you testified about the details of
8 that meeting which I guess is three or seven years ago?

9 A. Yes.

10 Q. Your only role with respect to that meeting was setting it
11 up essentially, right?

12 A. Yes. And leading him into the room of Ruja.

13 Q. You assisted with some logistics about when the meeting
14 would be?

15 A. No. I think Mark Scott told me when he would be there and
16 I arranged that Ruja can meet him at that time.

17 Q. So you first saw Mark Scott simply when he appeared at the
18 offices in Sofia?

19 A. Yes.

20 Q. And I believe you testified you made some chitchat with
21 him?

22 A. Yes.

23 Q. And then he met with Ruja at first, right?

24 A. Yes.

25 Q. And then you testified that Irina Dilkinska joined that

JB69SCO4

Ignatov - Cross

1 meeting?

2 A. Yes.

3 Q. Are you a hundred percent sure that Ms. Dilkinska was at
4 that meeting?

5 A. I'm pretty sure seeing them that they -- I'm pretty sure
6 that they met in Sofia because she told me the week afterwards
7 that they spent a lot of time together.

8 Q. Are you a hundred percent sure that she was at that meeting
9 with Mr. Scott?

10 A. I'm pretty sure, yes.

11 Q. So I just want to be very clear because pretty sure can
12 mean something different than a hundred percent sure. Were you
13 a hundred percent sure or do you have some question in your
14 mind about whether Ms. Dilkinska was there?

15 A. I'm pretty sure that Ruja called me to bring her up at that
16 meeting.

17 Q. So that's not a hundred percent, right?

18 A. This is almost a hundred percent.

19 Q. And then you say that after the meeting, some days after
20 the meeting Ms. Dilkinska told you that Ruja had made some
21 disparaging, negative comments about Mark Scott, right?

22 A. No. I heard Ruja on the phone some months ago -- some
23 months later.

24 Q. Oh, so I just want to be clear then. So after the meeting
25 that Mark Scott had in July of 2016 with Ruja, Irina did not

JB69SCO4

Ignatov - Cross

1 relay anything to you after that meeting about what had
2 occurred?

3 MR. FOLLY: Objection. Misstates the testimony.

4 THE COURT: Overruled.

5 Q. That means you can answer.

6 A. OK, can you repeat the question again please.

7 Q. Sure. So after the meeting that Mark Scott had with your
8 sister Ruja in July of 2016, did Irina tell you about what had
9 occurred in that meeting?

10 A. No.

11 Q. Did Ruja tell you what had occurred in that meeting?

12 A. No.

13 Q. Did anyone tell you what had occurred in that meeting?

14 A. No.

15 Q. So you also mentioned you e-mailed with Mark Scott; is that
16 right?

17 A. Yes.

18 Q. And I believe that the government has -- had given you a
19 binder of e-mails before when you were testifying about those?

20 A. Yes.

21 Q. Would it be helpful if you want to have them again in front
22 of you or do you want to just look on the screen?

23 A. We can do both.

24 Q. You have it anyway.

25 So the e-mails are in exhibits -- Government Exhibits

JB69SCO4

Ignatov - Cross

1 I believe 4001 through 4088; is that right?

2 A. Yes.

3 Q. And you testified that that's I think about a hundred
4 e-mails?

5 A. Almost. It's 87.

6 Q. And almost all of these e-mails are about arranging travel
7 or other logistics. Is that fair to say?

8 A. Yes.

9 Q. There's never any e-mails between you and Mark Scott about
10 the Fenero Funds, for example, right?

11 A. Never.

12 Q. Never any e-mails with Mark Scott about the blockchain,
13 right?

14 A. No.

15 Q. Never any e-mails in fact about anything having to do with
16 OneCoin, right?

17 A. Only setting up meetings with him and Ruja.

18 Q. But beyond that no communications of what OneCoin was
19 doing; is that fair to say?

20 A. I didn't communicate it to him.

21 Q. No communications with him about any investments he was
22 undertaking relating to OneCoin?

23 A. I never had these communications with him.

24 Q. And you also didn't communicate with him about what he knew
25 or didn't know about whether OneCoin was a lawful business,

JB69SCO4

Ignatov - Cross

1 right?

2 MR. FOLLY: Objection.

3 THE COURT: Overruled.

4 A. No.

5 MR. DEVLIN-BROWN: Could we put on the screen
6 Government Exhibit 4048 which I believe is in evidence.

7 Q. And if we could go to the second page -- the bottom page.
8 And if we could blow up, if you don't mind, Mr. Barile, just
9 the e-mail that is in the middle there from Mr. Ignatov to
10 Mr. Scott.

11 So Mr. Ignatov, you write there to Mr. Scott: I do
12 not decide how many meetings there will be and what they are
13 about.

14 Is that fair to say, an accurate statement?

15 A. Yes.

16 MR. DEVLIN-BROWN: If you could also now publish
17 Government Exhibit 4029, which I believe -- yes. It is in
18 evidence.

19 If we could go to the bottom of this e-mail, the very
20 bottom. So if you could blow up the bottom please, Mr. Barile,
21 I'd appreciate it. Thank you.

22 Q. So this is an e-mail that you send Mark introducing
23 yourself; isn't that right Mr. Ignatov?

24 A. Yes.

25 MR. DEVLIN-BROWN: If you could just zoom out so we

JB69SCO4

Ignatov - Cross

1 could see the date of that, Mr. Barile.

2 Q. That e-mail is July 19, 2016, right?

3 A. Yes.

4 Q. And that is the first communication of any sort that you
5 have with Mr. Scott, right?

6 A. I'm not sure but it seems like.

7 Q. Well if you're introducing yourself do you believe you
8 e-mailed him before?

9 A. No. But I'm not sure if there was some others but it looks
10 like this is the first one.

11 MR. DEVLIN-BROWN: We can take that off the screen.

12 Thank you.

13 Q. So as we said there's 88 e-mails I think in front of you
14 that the government entered into evidence, right?

15 A. Yes.

16 Q. And a lot of them are about scheduling trips to meet with
17 Ruja?

18 A. Yes.

19 Q. But there were only actually a few trips that occurred,
20 right?

21 A. Yes.

22 Q. There's multiple e-mails back and forth about scheduling a
23 single trip. Is that fair to say?

24 A. Yes.

25 Q. So in terms of the various activities you did managing

JB69SCO4

Ignatov - Cross

1 OneCoin one of the things you talked about was attending
2 OneCoin conferences. Do you remember that?

3 A. Which period do you mean, before Ruja's disappearance?

4 Q. Well the first OneCoin conference you testified was the
5 Coin Rush conference; is that right?

6 A. Yes.

7 Q. And that was in June of 2016?

8 A. Yes.

9 Q. I don't think we need to replay the video but that was This
10 Girl is on Fire conference, the music?

11 A. Yes.

12 Q. And you didn't see Mark Scott at that conference, right?

13 A. I didn't know him at that time.

14 Q. And now that you know him and know what he looks like
15 you're not thinking back to that time and saying I saw him
16 there, right?

17 A. I don't even recall which of the leaders from the network I
18 seen there so I don't remember much of it.

19 Q. No one has told you that he was there, right?

20 MR. FOLLY: Objection.

21 THE COURT: Overruled.

22 A. No one told me and I don't recall that he's been there.

23 Q. So sitting here today you have no reason to think he was
24 one of the three thousand people that you've said attended the
25 conference, right?

JB69SCO4

Ignatov - Cross

1 A. It is hard to remember three thousand people.

2 MR. DEVLIN-BROWN: Let's play, if you wouldn't mind,
3 just the beginning of Government Exhibit 205, which is a video.

4 (Recording played)

5 MR. DEVLIN-BROWN: We can stop. Thank you.

6 Q. So this is the OneCoin Macau event, right?

7 A. Yes.

8 Q. And the government played this video earlier -- earlier
9 today I think it was; is that right?

10 A. Yes.

11 Q. And I believe you testified that you had not attended the
12 OneCoin Macau conference, right?

13 A. I wasn't working for OneCoin in 2015.

14 Q. And this conference was something like October 2015?

15 A. I don't know. I hadn't been in OneCoin at that time.

16 Q. You don't know whether Mr. Scott was involved with OneCoin
17 at that time either, right?

18 A. I don't know nothing prior to the time I started, what
19 happened in OneCoin.

20 Q. Once you started at OneCoin you attended a number of
21 conferences yourself, right?

22 A. Yes.

23 Q. And you didn't see Mr. Scott at any of those conferences?

24 A. In e-mail communication I remember, it was around the
25 Mexico event, Mr. Scott tried to avoid especially to be linked

JB69SCO4

Ignatov - Cross

1 to locations where OneCoin events are.

2 Q. Oh, was that an e-mail that you saw?

3 A. Yes. Where he -- he writes that we are in Mexico City and
4 he didn't want to come to Mexico City, he wanted to be around
5 Mexico. And also he wrote me various times that he didn't want
6 to come to Sofia, if there are other places in Europe we can
7 meet or he and Ruja can meet.

8 Q. I just want to be clear about what you're saying about this
9 e-mail that you're referring to. I believe you just now
10 testified that Mr. Scott did not want to go to Mexico City
11 because he was -- didn't want to be too close to OneCoin events
12 going on; is that right?

13 A. It seemed to me like this.

14 MR. DEVLIN-BROWN: Could we put up Government Exhibit
15 4003.

16 Q. So if we could blow up the bottom two e-mails at first,
17 please.

18 So in the bottom e-mail Mark Scott sends a message to
19 you saying that he and Ruja need to meet somewhere for a few
20 hours in the next couple of weeks. She mentions she will be in
21 Mexico soon. Which date and in which city can she meet you
22 there. Do you see that?

23 A. Yes.

24 MR. DEVLIN-BROWN: Could we zoom out, please.

25 Then if we -- the top two e-mails. Thank you very

JB69SCO4

Ignatov - Cross

1 much, Mr. Barile. And I guess try to get the one in the middle
2 as well. Great. Perfect.

3 Q. So, your response to that, it's on the bottom is:

4 Dear Mark. Would Thursday, September 5 p.m. in Mexico
5 City be OK? I will update you soon about the hotel.

6 Do you see that?

7 A. Yes.

8 Q. And Mr. Scott then responds on top: Is that the only city
9 she will be in? I cannot travel there due to the high
10 altitude.

11 Do you see that?

12 A. Yes.

13 Q. Does Mr. Scott say anything in that e-mail about he doesn't
14 want to be near OneCoin events?

15 A. He doesn't mention it.

16 Q. He does not say anything about that?

17 A. No.

18 Q. And none of those e-mails before you say anything about
19 Mr. Scott saying he doesn't want to be at OneCoin events, do
20 they?

21 A. I recall Mr. Scott sending me an e-mail where he mentioned
22 that he -- for example that he doesn't want to come to Sofia
23 because he doesn't want to have too many flights to Sofia on
24 his travel card.

25 Q. Mr. Ignatov, did I ask you about whether Mr. Scott didn't

JB69SCO4

Ignatov - Cross

1 want to go to Sofia?

2 A. No.

3 Q. And there were no OneCoin events in Sofia that you're
4 referring to, are you?

5 A. There is OneCoin office. The headquarters. I'm referring
6 to.

7 Q. But all of the sort of parties and such that we saw earlier
8 today, those weren't in Sofia, right?

9 A. So only one party and this was in London. Yes.

10 Q. The other events I guess were just sales meetings or
11 presentations?

12 A. Yes.

13 Q. So Mr. Ignatov, I want to just make sure we're very clear.
14 You don't have any e-mails from Mr. Scott saying he did not
15 want to be at a location near a OneCoin meeting?

16 A. He didn't say this so explicit.

17 Q. Well he didn't say it at all, did he, Mr. Ignatov?

18 A. He didn't say it explicit.

19 Q. He didn't say it at all?

20 MR. FOLLY: Asked and answered.

21 THE COURT: Sustained.

22 Q. Mr. Ignatov, in any of these e-mails in your binder -- and
23 we can sit if you want to look through them -- does Mr. Scott
24 say anything about not wanting to be involved in a OneCoin
25 event explicitly or implicitly?

JB69SCO4

Ignatov - Cross

1 A. In none of our e-mails we discuss OneCoin events.

2 Q. In any of the e-mails in your binder, Mr. Ignatov, does
3 Mr. Scott say explicitly or implicitly that he does not want to
4 be at a OneCoin event?

5 MR. FOLLY: Objection. Asked and answered.

6 THE COURT: Overruled.

7 Q. You can answer.

8 A. Oh, I can answer. I don't know -- I don't know the
9 overruled word. Excuse me.

10 As I said, I never discussed with him any OneCoin
11 events or I just met -- managed Ruja's schedule and this was
12 the only thing we're talking about.

13 Q. So in terms of scheduling, it became a little bit difficult
14 to schedule meetings with Mr. Scott at times, wouldn't you say?

15 A. Yes.

16 Q. Particularly in late 2016 and early 2017?

17 A. Might be around that time, yes.

18 Q. It did appear that he was, to you, making excuses about not
19 wanting to attend, right?

20 A. We had communication about his fiancée and the pregnancy.
21 Ruja always said that he's making excuses.

22 Q. OK. He also -- so he told you he couldn't come because he
23 had a fiancée and he was trying to do IVF; is that right?

24 A. Yes. I think so.

25 Q. And then another time he told you he couldn't meet in Dubai

JB69SCO4

Ignatov - Cross

1 because there was a State Department warning?

2 A. I think there was something with his passport or because he
3 was American.

4 Q. But there was a State Department warning for American
5 citizens traveling to Dubai? Isn't that what he told you?

6 A. I don't recall the State -- the warning but I recall that
7 he couldn't come to Dubai because there was something against
8 American citizens.

9 MR. DEVLIN-BROWN: If we could publish Government
10 Exhibit 45 which is in evidence.

11 If we could just look at e-mail at the top.

12 Q. So in that e-mail Mark Scott writes to you: I am not sure
13 I want to travel to Dubai as a US citizen and told her. Our
14 State Department strongly warns of travel to any countries in
15 that region, including neighboring countries.

16 Do you see that?

17 A. Yes.

18 Q. So Mr. Scott did communicate to you he didn't want to go to
19 Dubai because of a State Department warning as a US citizen?

20 A. Is what he said.

21 Q. The last meetings you tried to set up for him were in early
22 2017; is that right?

23 A. I think so.

24 Q. Nothing after that?

25 A. I don't think so because I think Ruja mentioned something

JB69SCO4

Ignatov - Cross

1 that he got fired or something.

2 Q. When did Ruja tell you that he was fired?

3 A. I'm not -- I'm really not sure if she told it or -- if she
4 told about somebody else but I remember that this was a time
5 when Mark Scott was not available, that somebody got fired and
6 I'm not sure if it's about him or something.

7 Q. But she told you Mark Scott was no longer going to be
8 meeting with her either in late 2016 or early 2017; is that
9 right?

10 A. I remember that she was always very angry at Mr. Mark
11 Scott.

12 Q. And one reason is she was angry is it was difficult to get
13 him to come to meetings, right?

14 A. Yes.

15 MR. DEVLIN-BROWN: If you could publish Government
16 Exhibit 4102. Let me just make sure if that's in evidence. Is
17 that right? Yes. Good. If you could publish that, please.

18 Q. So you remember being asked some questions after seeing
19 this e-mail on direct examination, Mr. Ignatov?

20 A. Yes.

21 Q. You weren't actually on this e-mail, right?

22 A. I wasn't, no.

23 Q. And the only time you saw this was in preparing to testify,
24 right?

25 A. Yes. After my arrest.

JB69SCO4

Ignatov - Cross

1 Q. So in this e-mail Gary Gilford --

2 MR. DEVLIN-BROWN: The middle one, maybe we could just
3 blow that one up.

4 Q. Gary Gilford sends a message to Mark Scott and copies
5 Joanna Allinson on October 13, 2016, right?

6 A. Yes.

7 Q. And in that e-mail Gary Gilford says: Dear Mark: As you
8 will be aware there is currently a City of London police
9 investigation into OneCoin.

10 Do you see that?

11 A. Yes.

12 Q. And is it fair to say that Gary Gilford then says that the
13 people at RavenR have some concerns because there's a police
14 investigation?

15 A. Yes.

16 Q. And I believe you testified that sometime after that e-mail
17 on October 13, 2016 that Joanna Allinson stopped responding to
18 you; is that right?

19 A. Yes.

20 Q. She stopped working at RavenR?

21 A. At some point I didn't see her again.

22 Q. At some point shortly after this August 2016 e-mail
23 communication?

24 A. I don't remember when exactly it was.

25 Q. But you believe you testified on direct, we can check the

JB69SCO4

Ignatov - Cross

1 transcript, but it was after seeing this that your messages
2 with her came to an end and you couldn't contact her anymore,
3 right?

4 MR. FOLLY: Objection. Vagueness.

5 THE COURT: Overruled.

6 Q. Go ahead and answer.

7 A. I don't know exactly when she quit or she got fired or how
8 it is ended but the time periods where she didn't work anymore
9 for RavenR.

10 Q. This is October 13, 2016?

11 MR. DEVLIN-BROWN: We can take that down. Thank you.

12 Could we put on the screen Government Exhibit 4029,
13 please, Mr. Barile.

14 Q. So if you look at the e-mail on the top. This is also in
15 October 2016, right?

16 A. Yes.

17 Q. And Mr. Scott is telling you that he can't meet with Ruja
18 Ignatova the coming week?

19 A. Yes.

20 Q. And, in fact, the communications with Mr. Scott about
21 scheduling meetings are done by early 2017; is that right?

22 A. Yes. They are done this time.

23 MR. DEVLIN-BROWN: We can take that off.

24 Q. So one of your duties as a leader of OneCoin was helping
25 run the OneLife network; is that right?

JB69SCO4

Ignatov - Cross

1 A. I was more or less face at the events for the company.

2 Q. But you have a number of meetings, didn't you, with the top
3 salespeople after --

4 A. Yes.

5 Q. Just let me finish so the court reporter gets it all down.

6 You had a number of meetings with the top salespeople
7 of the OneLife network after Ruja disappeared in October 2017,
8 right?

9 A. Now I understand your question. Yes.

10 Q. And Mr. Scott was not at any of those meetings?

11 A. No.

12 Q. You also had a number of conference calls with a group of
13 OneCoin people; is that right?

14 A. With the IMAs, the salespersons, yes.

15 Q. You recall an incident where there was a Mercedes car that
16 was put on auction for OneCoin?

17 A. It was a BMW.

18 Q. Sorry. But you recall an incident with a BMW being put on
19 auction for OneCoin?

20 A. Yes.

21 Q. And the BMW price in OneCoins became extremely high, right?

22 A. Yes.

23 Q. And the auction was canceled?

24 A. I don't recall if it was canceled. I know it was a big
25 problem afterwards.

JB69SCO4

Ignatov - Cross

1 Q. And you were extremely upset, right?

2 A. Yes.

3 Q. And you had a conference call with the people on that IMA
4 organization to communicate to them how upset you were, right?

5 A. Yes.

6 Q. And Mark Scott was not on that call?

7 A. No.

8 Q. And you said to the group that this would threaten the
9 value of the currency, right?

10 A. Yes.

11 Q. And you threatened that there would be punishment for
12 people in the group if something like that happened again,
13 didn't you?

14 A. Yes.

15 Q. In fact, you threatened that if something like that
16 happened again you would chop their head off, right?

17 A. I never used a word chop.

18 Q. You didn't use the word chop?

19 A. Did I use the word chop?

20 Q. I'm asking you. Did you say cut your head off or chop your
21 head off or something involving removing a head?

22 A. I think I said that everybody knows what my sister does in
23 such moments. And I said that maybe heads will roll.

24 Q. That's what you said, heads will roll?

25 A. But I never used the expression to chop somebody's head

JB69SCO4

Ignatov - Cross

1 off.

2 Q. So you don't think you said chop a head off or cut a head
3 off; is that correct?

4 A. Definitely not chop somebody's head off.

5 Q. Maybe cut their head off?

6 A. I think heads will roll sounds more like me.

7 Q. So you spent a lot of time mostly yesterday or some time
8 yesterday talking about Sebastian Greenwood. Do you remember
9 that?

10 A. Yes.

11 Q. So Sebastian Greenwood was one of the two founders of
12 OneCoin?

13 A. Yes.

14 Q. He and Ruja Ignatova being the other?

15 A. Yes.

16 Q. And they were 50/50 partners at least at first; is that
17 right?

18 A. I don't exactly how they handled it in the beginning
19 because I wasn't there.

20 Q. Oh, that's right. You didn't join OneCoin until June 2016,
21 right?

22 A. Yes.

23 Q. And you remember the government displaying a number of
24 e-mails on the screen between Sebastian Greenwood and Ruja
25 Ignatova?

JB69SCO4

Ignatov - Cross

1 A. Yes.

2 Q. And they were in 2014 and 2015, right?

3 A. Yes.

4 Q. So you never saw those e-mails until preparing to testify,
5 right?

6 A. I saw them just after my arrest.

7 Q. You saw them just after your arrest? In discovery produced
8 to you?

9 A. No. I seen them after I got arrested, not before.

10 Q. And you saw them because the government showed them to you?

11 A. Yes.

12 Q. So Sebastian Greenwood and Ruja Ignatova you believe had a
13 romantic relationship at some point?

14 A. I don't know. Nobody ever told me.

15 Q. Well didn't you tell the prosecutors or the agents that you
16 believed they had a romantic relationship?

17 A. They had something strange going on. They called
18 themselves once brother and sister. Then you see them hugging.
19 Then you see them holding hands. Then you see them -- each
20 other. Nobody ever told me. It's just a strange relationship
21 they had.

22 MR. DEVLIN-BROWN: I'd like to put some of those
23 e-mails back on the screen. We're going to try, Mr. Barile, to
24 do this ourselves. We may fail and come back to you but we're
25 going to try.

JB69SCO4

Ignatov - Cross

1 Ms. Stanley, are you able to publish Government
2 Exhibit 2103.

3 Q. So you remember seeing this e-mail when the government
4 presented it to you yesterday, Mr. Ignatov?

5 A. Yes.

6 Q. And among other things it says in there, in an e-mail from
7 Sebastian to Ruja: Get members to think they are mining their
8 own OneCoin by crunching tokens for OneCoin. This story is
9 good because people will then not go super crazy and just try
10 to sell tokens all the time. And then she goes on. You're not
11 on this e-mail, right?

12 A. I am not.

13 Q. Which makes sense because you haven't joined OneCoin?

14 A. Yes.

15 Q. And Mark Scott is not on this e-mail?

16 A. No, he's not.

17 Q. In fact, nobody but Sebastian Greenwood and Ruja Ignatova
18 are on this e-mail?

19 A. Yes.

20 Q. And Ruja Ignatova has never e-mailed you that it would be
21 good to get members to think they are mining their OneCoins by
22 crunching tokens for OneCoin?

23 A. No. She never e-mailed me.

24 Q. And the government showed you this e-mail even though your
25 name wasn't on it, right?

JB69SCO4

Ignatov - Cross

1 A. Yes.

2 Q. And they've also showed you e-mails with Mark Scott?

3 A. Yes.

4 Q. They've never shown -- you've never seen any communications
5 between Mark Scott and Ruja Ignatova about getting members to
6 think they are mining their OneCoin by crunching?

7 A. I haven't seen communications like this.

8 Q. In fact, you haven't seen communications like that between
9 any other two people than Sebastian Greenwood and Ruja
10 Ignatova, right?

11 A. I think about -- I haven't seen it but I don't know if she
12 after she communicated to somebody.

13 Q. You don't know because you haven't seen it?

14 A. I haven't seen a written communication. Yes.

15 MR. DEVLIN-BROWN: Let's go to Government Exhibit
16 2104, please. Ms. Stanley. Thank you.

17 Q. So this is the e-mail also from August of 2014, right?

18 A. Yes.

19 Q. And you're not on this e-mail?

20 A. I am not.

21 THE COURT: Can the jurors see what --

22 MR. DEVLIN-BROWN: Can we go back and put the one on
23 the screen just for a moment. I'll just give the jurors a
24 moment.

25 Good to move on now, Ms. Stanley, to 2104, if you can

JB69SCO4

Ignatov - Cross

1 publish to everyone.

2 Q. So Mr. Ignatov, this is also an e-mail between
3 Mr. Greenwood and Ms. Ignatova, right?

4 A. Yes.

5 Q. You're not on this one? You hadn't joined OneCoin?

6 A. Yes.

7 Q. Mr. Scott is not on it?

8 A. No.

9 Q. Nobody else is on it?

10 And under the exchange rate engine, Mr. Greenwood says
11 the exchange rate engine will be set by admin and strategy
12 should be that the more popular the company becomes i.e., the
13 more packages that are sold the higher the exchange rate
14 becomes. We make it privileged for the founding members to
15 convert first.

16 Ruja Ignatova never e-mailed you that, did she?

17 A. No.

18 Q. And you haven't seen any e-mails where she -- from the
19 government where she e-mails -- correct myself.

20 You haven't seen any e-mails from the government where
21 Sebastian Greenwood or Dr. Ruja Ignatova e-mailed other people
22 this statement?

23 A. I never --

24 MR. FOLLY: Objection.

25 THE COURT: Overruled.

JB69SCO4

Ignatov - Cross

1 THE WITNESS: I never witnessed any conversations
2 between the defendant and Ruja Ignatova. So I don't know what
3 was communicated between both.

4 Q. Of course. But you do have e-mails with Mr. Scott, right?

5 A. Yes.

6 Q. And the government has shown you some e-mails in preparing
7 to testify, right?

8 A. Yes.

9 Q. And they haven't shown you any e-mails between Mr. Scott
10 and Mrs. Ignatova about the exchange rate that will be set for
11 OneCoin, right?

12 A. Never seen any.

13 Q. In fact, they haven't shown you any e-mails from Mr. Scott
14 about the exchange rate for OneCoin with anyone?

15 MR. FOLLY: Your Honor, can we have a sidebar.

16 THE COURT: Yes.

17 (Continued on next page)

JB69SCO4

Ignatov - Cross

1 (At sidebar)

2 MR. FOLLY: Your Honor the concern here is it seems
3 like Mr. Devlin-Brown is trying to use Mr. Ignatov as some sort
4 of mouthpiece for what evidence exists or does not exist in
5 this case. He's entitled to make arguments to the jury at the
6 conclusion of the case about the evidence that they saw. But
7 to sit here and to go through these e-mails and make this
8 suggestion that the government never showed you e-mails between
9 Mr. Scott and Mr. Greenwood about crunching or mining or
10 whatever else is totally inappropriate. I mean Mr. Ignatov saw
11 some e-mails in his complaint. He was never produced discovery
12 in this case beyond his own cellphone. And the government
13 certainly never sat down with him and marched him through every
14 piece of evidence connected to this case. It simply never
15 happened.

16 But the way that this cross-examination is unfolding
17 is there's this suggestion in front of the jury that things
18 that weren't shown to Mr. Ignatov, therefore, didn't exist. I
19 mean it's a very bizarre line of cross-examination.

20 MR. DEVLIN-BROWN: So a couple of points, your Honor.
21 First of all, e-mails of that nature don't exist. Certainly
22 we've never seen any.

23 Second of all, I think the government made a choice to
24 show a witness e-mails he was not on. And that I think gives
25 some latitude to the defense crossing about other -- the

JB69SCO4

Ignatov - Cross

1 choices, in terms of what he's seen or hasn't seen.

2 But most importantly, and I am not going to spend much
3 more time on this, a crucial part of the defense case that
4 Sebastian Greenwood and Ruja Ignatova had a very special
5 private relationship and only the two of them talked in this
6 explicit way about OneCoin. So that's a point I'm trying to
7 bring out as well; that nobody else is on these e-mails.

8 MR. FOLLY: I think that same point can be made by
9 asking the witness questions about what e-mails were shown with
10 him, whether Sebastian ever e-mailed him in that way, whether
11 Ruja ever e-mailed him in that way. It goes way outside his
12 personal knowledge to be asking about whether or not Ruja and
13 Sebastian were e-mailing Mark Scott in this fashion and that's
14 basically what he's trying to do through this witness is
15 establish that.

16 THE COURT: I don't see that as being the case. I
17 mean what he's I think trying to do is show that those types of
18 communications were -- that this guy is unaware of those types
19 of communications between other coconspirators.

20 MR. FOLLY: Your Honor, the only piece of this we're
21 taking issue with is this placement of testimony about what the
22 government showed him.

23 Keep the government out of this. Did you ever see
24 e-mails between Mark Scott and Ruja Ignatova is fine. But
25 linking us back into this, it's sort of giving this suggestion

JB69SCO4

Ignatov - Cross

1 that we showed him all the evidence that existed in the world
2 and he didn't see among that evidence anything from the
3 government showing Mark Scott communicating with Ruja. I don't
4 see why the questions can't be limited to: Mr. Ignatov did you
5 ever see an e-mail communication between Mark Scott and Ruja
6 Ignatova about crunching or mining?

7 MR. DEVLIN-BROWN: I think I can do that for the next
8 one and then I'm more or less done with this.

9 THE COURT: OK.

10 (Continued on next page)

JB69SCO4

Ignatov - Cross

1 (In open court)

2 MR. DEVLIN-BROWN: I forget if I had a question
3 pending.

4 THE COURT: Me too.

5 (Record read)

6 MR. DEVLIN-BROWN: Is that correct.

7 THE WITNESS: Correct.

8 MR. DEVLIN-BROWN: If we could go to 2106, please,
9 which is in evidence. Government Exhibit 2106.

10 Q. So you see the highlighted portion in the e-mail from
11 Sebastian Greenwood to Dr. Ruja Ignatova: We are not mining
12 actually but telling people shit.

13 Excuse my language too.

14 You're not on this e-mail?

15 A. I am not.

16 Q. It's in 2014, right?

17 A. Yes.

18 Q. Mark Scott is not on the e-mail?

19 A. He's not.

20 Q. There are no e-mails to you from anyone that say we are not
21 mining actually but telling people shit, right?

22 A. No.

23 Q. And you've never seen any e-mails to Mark Scott saying we
24 are not mining --

25 A. I was never shown any.

JB69SCO4

Ignatov - Cross

1 Q. So you've never seen any from anywhere?

2 A. I don't know if there are. I just know that I have never
3 been shown any.

4 Q. Of course.

5 MR. DEVLIN-BROWN: If we can go to just one more.
6 2109, please. Government Exhibit.

7 Sorry. Maybe two more.

8 Q. 2109. You see the blow up there. We have an auditor in
9 place but I think I cannot start auditing as I cheat currently
10 on coins, I need to find a way.

11 That's in March of 2015, right?

12 A. Yes.

13 Q. Dr. Ruja Ignatova to an e-mail address that I believe you
14 said was Sebastian Greenwood's; is that right?

15 A. Yes.

16 Q. And again neither you or Mark Scott on this e-mail?

17 A. Yes.

18 Q. Ruja has never e-mailed you that she currently cheats on
19 coins, right?

20 A. No.

21 Q. And you've never seen e-mails from her to anyone elsewhere
22 she says she cheats on coins?

23 A. I never seen e-mails like this, no.

24 Q. One more.

25 MR. DEVLIN-BROWN: 2112, please, Ms. Stanley.

JB69SCO4

Ignatov - Cross

1 Q. So this e-mail is from Dr. Ruja Ignatova to Mr. Greenwood
2 in August of 2015; is that right?

3 A. Yes.

4 Q. And it says fake coins and lists a number of quote/unquote
5 fake coins.

6 Do you see that?

7 A. Yes.

8 Q. You're not on this? Mark Scott's not on it?

9 A. None of us.

10 Q. You've never gotten an e-mail from Ruja Ignatova
11 referencing fake coins, have you?

12 A. No.

13 Q. And you've never seen her e-mail anyone else besides
14 Sebastian Greenwood referencing fake coins?

15 A. Again I don't know who she e-mails or not.

16 Q. I understand. You haven't seen it?

17 A. I haven't seen it.

18 Q. In fact, you only discovered that the mining was fake after
19 Ruja Ignatova left OneCoin or disappeared, right?

20 A. The mining, yes.

21 Q. That the mining was fake?

22 A. Yes.

23 Q. You discovered that after Ruja Ignatova left OneCoin,
24 right?

25 A. Yes.

JB69SCO4

Ignatov - Cross

1 MR. DEVLIN-BROWN: We can take that off the screen. I
2 may need Mr. Barile's assistance again. Thank you very much.

3 Thank you, Ms. Stanley.

4 If we could publish Government Exhibit 2115, please.

5 Q. So in this e-mail --

6 MR. DEVLIN-BROWN: Maybe we could just blow up the --
7 hold on a moment. Right. Sorry. The middle -- the middle
8 paragraph under banking.

9 Q. So this e-mail I believe we just saw was in September 2015;
10 is that right?

11 A. Yeah.

12 Q. And again you weren't on this e-mail, correct?

13 A. I was not.

14 Q. Either was Mark Scott?

15 A. No.

16 Q. No one briefed you on the subject of this e-mail after,
17 right?

18 A. No.

19 Q. Do you see the reference there to: I have two legal
20 companies who can take it in as client money or escrowed funds
21 and will charge us some fee to transfer abroad?

22 A. Yes.

23 Q. You have no idea who those legal companies are?

24 A. No.

25 Q. And you have no idea of whether they agreed to do this?

JB69SCO4

Ignatov - Cross

1 A. I have no information about this.

2 Q. OK. That's fair enough.

3 MR. DEVLIN-BROWN: We can take that off.

4 Could we publish Government Exhibit 2114, please,
5 Mr. Barile.

6 Q. I think we've done a lot of these so I'm just going to ask
7 you Mr. Ignatov, this is also in September 2015 between
8 Mr. Greenwood and Ms. Ignatova, not you or Mr. Scott, right?

9 A. Yes.

10 Q. So there's a reference in this e-mail at the top to
11 payments that will be run through your contact Gilbert.

12 Do you see that?

13 A. Yes.

14 Q. And you don't have any idea -- you assume this is Gilbert
15 Armenta; is that right?

16 A. Yes.

17 Q. But you don't have any idea who Gilbert was going to run
18 these payments through whatever they are being referred to in
19 the e-mail, right?

20 A. No, I don't know.

21 Q. You don't know what Gilbert was going to tell people he was
22 going to run the payments through?

23 A. No.

24 MR. DEVLIN-BROWN: We can take that one off the
25 screen.

JB69SCO4

Ignatov - Cross

1 Q. I'm going to move away from anymore e-mails between
2 Sebastian Greenwood and Mr. Ruja Ignatova but I do want to show
3 you another e-mail, Mr. Ignatov, that you are not on. This is
4 Government Exhibit 2004.

5 MR. DEVLIN-BROWN: Go to the bottom of this one,
6 please, Mr. Barile.

7 Q. So, the bottom e-mail is from Ruja to Mark Scott at Locke
8 Lord and addressed, it says, R Courtneidge at Locke Lord.com.
9 Did you know Robert Courtneidge?

10 A. No.

11 Q. Just like -- you see right below sorry. The subject is:
12 Question.

13 Ruja e-mails: I have some cash with me. About 220
14 KGDP which I believe you testified was a reference to British
15 pound; is that right?

16 A. I didn't answer questions about it but I think it might be
17 British pounds.

18 Q. Thank you for your help.

19 And there's a request that she makes to both of those
20 people on the e-mail: Can you store it for me in London,
21 right?

22 A. Yes.

23 MR. DEVLIN-BROWN: If we could page up, please,
24 Mr. Barile. About the middle e-mail is good.

25 Q. You see Mr. Scott's response to that e-mail. On March 4,

JB69SCO4

Ignatov - Cross

1 2016. He writes: Hi Ruja. Let's discuss during our call
2 today?

3 A. Yes.

4 Q. And you weren't on any call between Mark Scott or Ruja
5 Ignatova, right?

6 A. I was not. They were using, from what I learned from some
7 of the e-mails, using some cryptophones and I never used one.

8 Q. Let me --

9 A. No, I wasn't.

10 Q. There was a reference to a call today, March 4, 2016. You
11 don't know anything about that call?

12 A. No. I wasn't working for OneCoin yet.

13 Q. And you don't know if it was on a cryptophone or a regular
14 phone, right?

15 A. No.

16 Q. You don't know if the cryptophones were working that day?

17 A. I think I seen the e-mail from Godeva was around that time.

18 Q. Sorry?

19 A. The e-mail exchange with Ms. Godeva, wasn't it about that
20 time, about cryptophone?

21 Q. I'm not going to be the one to answer the questions. But
22 is it fair to say, Mr. Ignatov, that people had some trouble
23 with these cryptophones sometimes?

24 A. Yes.

25 Q. And there were a lot of requests to get some tech support

JB69SCO4

Ignatov - Cross

1 or get the phone replaced or things of that nature?

2 A. Exactly two requests.

3 Q. Only two requests in the history of bringing those requests
4 to your attention?

5 A. Yes. To my attention.

6 Q. So you don't know what phone, if any, was used on March 4,
7 2016, right?

8 A. No.

9 Q. It could have been a Locke Lord conference line for all you
10 know, right?

11 A. It could be everything, yes.

12 MR. DEVLIN-BROWN: If we could page up, please. The
13 top two e-mails.

14 Q. So, Mr. Courtneidge e-mails Mr. Scott in the e-mail at the
15 bottom of the screen: Mark: Did you resolve this? Robert.
16 Do you see that?

17 A. Yes.

18 Q. And Mark Scott e-mails at the top: Yes. Thanks.

19 Do you see that?

20 A. Yes.

21 Q. And after -- you're not on this e-mail, of course, right?

22 A. I'm not.

23 Q. And after this e-mail do you remember the government asking
24 you a series of questions about cash you've seen in safes at
25 various places?

JB69SCO4

Ignatov - Cross

1 A. I have seen this e-mail I think today for the first time or
2 yesterday when it was shown to me.

3 Q. And after they showed it to you, they asked you questions
4 about cash you've seen in various safes and other places,
5 right?

6 A. Yes.

7 Q. I want to be very clear. You have no idea how this was
8 resolved, right?

9 A. No.

10 Q. All you know, even from reading the e-mail, is Ruja made a
11 request to -- if someone could store some British pounds,
12 right?

13 A. Yes.

14 Q. And that Robert Courtneidge asked Mark if he resolved it,
15 right?

16 A. Yes.

17 Q. And Mark Scott said yes?

18 A. Yes.

19 Q. But you don't know if that resolution was a yes or a no?

20 A. I don't know how. This is all I see here.

21 Q. And you certainly don't know what, if anything, Ruja said
22 about what that money was from or what its purpose was, right?

23 A. I only see what's on the e-mail. I don't know what she
24 said outside of this e-mail or if she said something outside of
25 this e-mail.

JB69SCO4

Ignatov - Cross

1 Q. I understand you can only testify to what you have personal
2 knowledge of. But you were never in any meetings even with
3 Ruja or Mark Scott, right?

4 A. No.

5 Q. And you were never on any phonecalls with them?

6 A. No.

7 Q. So you don't know what happened in those meetings and
8 phonecalls you were not on, right?

9 A. No, I don't.

10 Q. You talked a little bit earlier on cross-examination about
11 RavenR. Do you remember the e-mail with the City of London
12 police investigation?

13 A. Yes.

14 Q. And Joanna Allison was one of the people who worked at
15 RavenR?

16 A. Yes.

17 Q. The people at RavenR to you seemed to be highly educated,
18 polished and successful? Isn't that fair to say?

19 A. Exactly.

20 Q. They did not appear to be shady but rather professional; is
21 that right?

22 MR. FOLLY: Objection.

23 THE COURT: Overruled.

24 A. Yes.

25 Q. And you don't know what Ruja Ignatova may have told the

JB69SCO4

Ignatov - Cross

1 people at RavenR about OneCoin or whether it was legal or
2 illegal, right?

3 A. I didn't attend any meetings when they were talking about
4 it.

5 Q. And RavenR was handling investments for Ruja Ignatova,
6 right?

7 A. Yes.

8 Q. It was the so-called family office?

9 A. I read this for the first time somebody calls it family
10 office.

11 MR. DEVLIN-BROWN: Give me a moment.

12 I'd like to show you a few other e-mails.

13 If we could, Mr. Barile, display Government Exhibit
14 4026.

15 Q. So we can just look at the top of the e-mail where you ask
16 or you say to Mr. Scott: I have documents Irina wants to send
17 you, but can I give it to you in person? Would it be possible?
18 Thanks in advance.

19 Right?

20 A. Yes.

21 Q. I believe you testified you did give documents to
22 Mr. Scott?

23 A. I did not give them to him. I gave them to a driver who
24 gave them to him.

25 Q. I'm sorry. You're correct. That's what you testified to.

JB69SCO4

Ignatov - Cross

1 But you gave them to his driver, right?

2 A. This was one of the security guards who is also a driver
3 and he brought the documents to Mark Scott.

4 Q. You didn't look at the documents, did you?

5 A. No. They were in an envelope.

6 Q. And you didn't open it?

7 A. No.

8 Q. And no one told you what was in the documents?

9 A. No.

10 Q. All you did was arrange for the delivery?

11 A. Yes.

12 MR. DEVLIN-BROWN: If we could put on the screen
13 Government Exhibit 3025-S at 12.

14 Q. So you remember the government putting on the screen before
15 you WhatsApp messages between Mark Scott and Lidia Kolesnikova?

16 A. Yes. I remember it.

17 Q. You've never met Ms. Kolesnikova before, have you?

18 A. No.

19 Q. And these are described as e-mail messages or WhatsApp
20 messages between those two?

21 A. Yes.

22 Q. You weren't ever joined in an e-mail message or WhatsApp
23 messages between Mr. Scott and Lidia, were you?

24 A. No. I never communicated with her.

25 Q. So the reference here to Mark Scott to Lidia saying: Did a

JB69SCO4

Ignatov - Cross

1 huge deal with Ruja. Will tell you.

2 You have no idea what he's talking about, right?

3 A. No.

4 MR. DEVLIN-BROWN: We can take that off the screen.

5 One more just to get a clarification. Government Exhibit 4053,
6 please, which is in evidence.

7 Q. So the e-mail is dated January 9, 2017. Do you see that at
8 the top?

9 A. Yes.

10 Q. And the e-mail says I am planning to arrive on Thursday,
11 June 12.

12 From Mark Scott, right?

13 A. Yes.

14 Q. It's clear from later e-mails that's a typo, right or a
15 mistake?

16 A. Yes.

17 Q. You're talking about a meeting in January, not in June?

18 A. Yes.

19 MR. DEVLIN-BROWN: You can take that off.

20 Q. So I want to move on to another subject.

21 So you testified on direct that OneCoin is a fraud
22 scheme, right?

23 A. Yes.

24 Q. And the government asked you various questions about parts
25 of OneCoin's representations to investors and asked you if they

JB69SCO4

Ignatov - Cross

1 were true or false essentially, right?

2 A. Yes.

3 Q. And you testified that you didn't know OneCoin was a fraud
4 scheme at the time you joined?

5 A. When I joined I didn't no, know.

6 Q. In fact, you had been working in Germany for Porsche at the
7 time, right?

8 A. Yes.

9 Q. I forget how many euros were you making per month there?

10 A. Around 2,800 a month.

11 Q. And Ruja gave you a small five-hundred-euro raise above
12 that, right?

13 A. Two hundred in the beginning. In the beginning it was two
14 hundred. One year later I got five hundred more.

15 Q. And that caused you to have to disrupt your life, right?

16 A. Well for me it was a chance to live again with my family
17 that I haven't seen for years more or less.

18 Q. But didn't you testify on direct you had to think hard
19 about that?

20 A. Yes.

21 Q. Because you were doing quite well at Porsche. You had been
22 there a number of years?

23 A. I didn't say I did quite well. I said I had a quiet small
24 life that I was OK with. I wasn't doing quite well. I was
25 driving a forklift and it wasn't a big career or something that

JB69SCO4

Ignatov - Cross

1 I was facing there.

2 Q. I think you testified though that you didn't want to leave
3 the dog shelter you were volunteering with or that that caused
4 you some --

5 A. Yes. I said that I was working with dog shelters and I
6 first had to think about if I want to leave everything behind.

7 Q. Right. And you didn't leave everything behind to go join
8 something that you knew was a fraud scheme, right?

9 A. No. I didn't know it was a fraud scheme.

10 Q. And you only learned later that it was a fraud scheme,
11 right?

12 A. Over the time I learned it, yes.

13 Q. In fact, the government asked you a question: Did you
14 learn it all at once or did you learn it over time? Do you
15 remember that?

16 A. Yes.

17 Q. And you answered: I learned it over time?

18 A. Yes.

19 Q. And the government asked you a number of questions during
20 examination today and yesterday where you said in an answer to
21 whatever the question was: Later I learned. Do you remember
22 saying that a lot in response to questions about things at
23 OneCoin that could be fraudulent?

24 A. Yes.

25 Q. I want to kind of go into that a little bit in more detail.

JB69SCO4

Ignatov - Cross

1 So, you testified on direct that a real cryptocurrency
2 has to be mined, right?

3 MR. FOLLY: Objection.

4 THE COURT: Overruled.

5 A. Well actually I think there is no -- let me say it in a
6 different way.

7 It's -- it has to be mined, yes.

8 Q. And a cryptocurrency has to have a real blockchain, right?

9 A. Excuse me.

10 Q. A cryptocurrency has to have a real blockchain, right?

11 A. Yes.

12 Q. And the reason for a blockchain is to make sure that all of
13 the transactions from the cryptocurrency from when it's mined
14 to whoever it's transferred to are recorded, right?

15 A. Yes. I would say so.

16 Q. Now, when you joined OneCoin you believed it had a
17 blockchain, right?

18 A. Yes.

19 Q. And you joined actually because Ruja had just fired her
20 prior assistant; is that right?

21 A. Yes.

22 Q. I think you had testified she suspected that her prior
23 assistant was having a romantic relationship with Sebastian
24 Greenwood; is that correct?

25 A. Yes.

JB69SCO4

Ignatov - Cross

1 Q. And Ruja told you when she hired you that she couldn't
2 trust other people in asking you to join; is that right?

3 A. Yes.

4 Q. And she said that she hired you -- you said this on direct
5 I believe -- because you wouldn't betray her, right?

6 A. Yes.

7 Q. And Ruja Ignatova, after hiring you, never told you that
8 the blockchain was fake, did she?

9 A. No.

10 Q. In fact, while you were at OneCoin you sometimes had
11 questions about the blockchain and how it worked? Is that fair
12 to say?

13 A. I had, yes.

14 Q. And Ruja answered some of those questions?

15 A. To be honest the ITs answered them because when I started I
16 didn't even know what a blockchain is. I started from scratch.
17 And I had very overall questions what exactly is a blockchain.
18 What can I -- yeah.

19 Q. Understood. And we'll come to the IT people. But didn't
20 Ruja tell you that the blockchain had KYC or know your customer
21 information built right into it?

22 A. Yes. She said this on stage.

23 Q. And at times when you were working there I believe you saw
24 rumors on websites suggesting there were problems with OneCoin;
25 is that right?

JB69SCO4

Ignatov - Cross

1 A. Yes.

2 Q. And you told Ruja that in some cases that you had seen
3 these things?

4 A. Yes.

5 Q. And she told you it's haters and it's not real and what
6 we're doing is real, right?

7 A. Yes. This is the main answer I always got.

8 Q. Now, you mentioned some IT guys who showed you some stuff
9 on the blockchain; is that right?

10 A. Yes.

11 Q. Is it Momchil and Ivan?

12 A. Yes.

13 Q. And they were the only ones, besides Ruja, who allowed to
14 see the blockchain transaction; is that right?

15 A. Yes.

16 Q. So you asked for an opportunity to see it yourself, right?

17 A. Yes.

18 Q. And you were permitted to?

19 A. I didn't see -- I don't know exactly how a blockchain
20 should look like. I have seen some transactions.

21 Q. But at the time they showed you what they said -- Ivan and
22 Momchil showed you what was the blockchain for OneCoin, right?

23 A. Yes.

24 Q. And they showed you some data on the computer screen that
25 you were looking at, right?

JB69SCO4

Ignatov - Cross

1 A. Yes.

2 Q. And it had account numbers like moving back and forth
3 streaming across the screen?

4 A. Yes.

5 Q. Or other large numbers.

6 And it had other data that you would see on the screen
7 they presented you, right?

8 A. I'm also remembering transactions.

9 Q. They told you that was the real blockchain?

10 A. They told me this is the blockchain.

11 MR. DEVLIN-BROWN: I believe Government Exhibit 122 is
12 in evidence. If we could display that, Mr. Barile.

13 Q. Do you remember talking about the split barometer in your
14 direct examination?

15 A. Yes.

16 Q. And I believe you testified that this -- never mind.

17 This split barometer is meant to be a representation
18 of how difficult it is to mine the coins, right?

19 A. It is more or less a representation how much sales are made
20 and when it splits then the difficulty of mining the coin
21 changes.

22 Q. That's what you understand now, right?

23 A. Yes.

24 Q. Back when you met with Momchil and Ivan to see the
25 blockchain they also showed you the split barometer, didn't

JB69SCO4

Ignatov - Cross

1 they?

2 A. No.

3 Q. You didn't see the split barometer?

4 A. I seen this on the homepage but they didn't show it to me.

5 Q. You saw it on the homepage?

6 A. Yes.

7 Q. And it was explained to you that this split barometer
8 showed you the difficulty of mining the OneCoins at the time?

9 A. It's not the mining difficulty. The mining difficulty is
10 something different.

11 But a split barometer is -- it shows more or less the
12 sales before the tokens get multiplied.

13 Q. I believe you testified on direct that there had been, as
14 you understood it at the time, an audit of blockchain; is that
15 right?

16 A. Yes.

17 Q. And by audit you mean that OneCoin had hired some outsiders
18 to come in and look at the blockchain or that's what they said,
19 right?

20 A. Yes.

21 Q. And the blockchain audit was made available on OneCoin's
22 website; is that right?

23 A. Yes.

24 MR. DEVLIN-BROWN: I'd like to -- do we have DX111.
25 If you could just show it to the witness for identification.

JB69SCO4

Ignatov - Cross

1 And of course the Court.

2 If we could page through it. I'm happy to get you a
3 hard copy if that's more helpful Mr. Ignatov. But if you can
4 just page down a few.

5 Q. Do you recognize this to be the blockchain audit report?

6 A. To be honest I never had a look on the audit so I don't
7 know how this document looks.

8 MR. DEVLIN-BROWN: We can take that off.

9 Q. So you never looked at the audit report in detail before,
10 right?

11 A. No.

12 Q. But you've been told there was an audit?

13 A. Yes.

14 Q. And prior to Ruja leaving OneCoin in October 2017 you
15 believed the audit was real?

16 A. Yes.

17 Q. And you didn't tell anyone else, certainly before
18 October 2017, that the audit was fake?

19 A. I?

20 Q. Right.

21 A. I didn't know it was fake at that time.

22 Q. So you wouldn't tell someone then that it was fake but you
23 believed it was real?

24 A. Yes.

25 Q. And at the time Ruja left you still believed the blockchain

JB69SCO4

Ignatov - Cross

1 was real?

2 A. Yes.

3 Q. And you believed the audit was real?

4 A. Yes.

5 Q. After Ruja left you ultimately had questions about whether
6 the blockchain was real, right?

7 A. It wasn't ultimately. The first rumor started from
8 competitors that the blockchain is not real. And after the
9 investigation from the Germans started the IT guys the first
10 time mentioned that the blockchain is not exactly what it
11 should be.

12 Q. Not exactly what it should be?

13 A. This was exactly what was said.

14 Q. And your response to that, right, was try to fix it and
15 make it work?

16 A. Yes.

17 Q. You didn't say: Oh, no, I have to quit OneCoin when that
18 happened, right?

19 A. No.

20 Q. So there was a raid by Bulgarian authorities of the Sofia
21 offices of OneCoin in January 2018, right?

22 A. Yes.

23 Q. And they took away a lot of the computers and other stuff
24 in the offices; is that right?

25 A. Yes.

JB69SCO4

Ignatov - Cross

1 Q. They told you that they were doing that because they're
2 investigating claims of fraud?

3 A. Actually nobody told me because I wasn't present that day
4 and also nobody questioned me from the authorities afterwards.

5 Q. But you understood that they were investigating issues of
6 fraud, right?

7 A. Yes.

8 Q. And because of that you asked Momchil about the blockchain
9 to determine if it was real, right?

10 A. I asked him if there was something that we should be
11 worried about.

12 Q. And that's when he said that the blockchain wasn't exactly
13 what it should be but they could fix it?

14 A. Yes.

15 Q. And you said -- I'm just making sure we're talking about
16 the same conversation -- that's when you said let's try to fix
17 it, right?

18 A. Yes.

19 Q. That's January 2018.

20 Then in March of 2018 you saw a report by a German
21 lawyer saying the blockchain wasn't real, right?

22 A. Said what?

23 Q. The blockchain wasn't real. A German lawyer. Or words to
24 that effect?

25 A. The German lawyer, this report was given to me by Irina and

JB69SCO4

Ignatov - Cross

1 the lawyer mentioned that the blockchain is real.

2 Q. I'm sorry. I totally misspoke. There was a report in
3 March of 2018 by a German lawyer saying the blockchain was
4 real?

5 A. Yes.

6 Q. And even though the Bulgarian authorities had done their
7 raid that report gave you some peace of mind, right?

8 A. I thought so, yes.

9 Q. And Irina didn't tell you then in March of 2018 when she
10 gave you the report that the blockchain was fake?

11 A. No.

12 Q. Now, in May of '18 there came a point when you and Irina
13 were hanging out -- were working in the OneCoin office and I
14 believe she was drinking, right?

15 A. I don't know exactly if she was drinking in May but she was
16 drinking from time to time, yes.

17 Q. Well didn't you recall or don't you recall an occurrence
18 where Irina was drinking on a Friday afternoon in the OneCoin
19 office and said in that conversation that OneCoin distributed
20 more coins than it mined?

21 A. Yes. I do recall this.

22 Q. That was the first time you had heard anything like that,
23 right?

24 A. Yes.

25 Q. That's May of 2018?

JB69SCO4

Ignatov - Cross

1 A. Yes.

2 MR. FOLLY: Your Honor, could we have a brief sidebar.

3 THE COURT: OK.

4 (Continued on next page)

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JB69SCO4

Ignatov - Cross

1 (At sidebar)

2 MR. FOLLY: We don't want to object and disrupt these
3 questions but they've gone on for quite a while. We're coming
4 back to a similar issue that we've discussed numerous times. I
5 think Mr. Devlin-Brown is certainly entitled to cross-examine
6 this witness as to his credibility about claims he's made about
7 when he found out certain things pertaining to the blockchain
8 or his knowledge about OneCoin being a fraud scheme. The
9 concern, once again, is introducing evidence that at this trial
10 will not be shown to have ever been shared with Mark Scott
11 related to OneCoin's blockchain being legitimate or not
12 legitimate or reports about it like this reference to this
13 lawyer's report about the blockchain that we have no evidence
14 was ever shown to Mr. Scott.

15 The issue of Mr. Ignatov's knowledge about OneCoin
16 being a fraud scheme, again, I think it's ripe for
17 cross-examination as to his credibility, as to whether he's
18 telling the truth. But I think what Mr. Devlin-Brown is now
19 veering into is trying to make suggestions about someone else's
20 state of mind being indicative of Mr. Scott's state of mind.
21 And the problem is we've been precluded from introducing that
22 evidence at this trial about what other people concluded after
23 doing their own research and finding things out about OneCoin.
24 And I think where this is all going is Mr. Devlin-Brown wants
25 to argue at the end of this trial that even the brother,

JB69SCO4

Ignatov - Cross

1 Mr. Ignatov, who worked for this company, did not know
2 quote/unquote about the blockchain or did not know
3 quote/unquote about OneCoin being a fraud scheme.

4 That's not the issue before the jury, what Mr. Ignatov
5 knew or did not know. The issue is what Mr. Scott knew. And
6 if we're going to go that route the government is entitled then
7 to put in all evidence that it wants about things that were
8 available to the public, whether or not it's connected to what
9 Mr. Scott actually was told or was shared with Mr. Scott.
10 That's the issue.

11 MR. DEVLIN-BROWN: So, first of all, we probably don't
12 need to hash out now what will or won't be permitted in
13 summations. I actually think the statement you made suggesting
14 that one could argue even her own brother didn't know about the
15 blockchain is fair but I don't think we have to hash that out
16 now.

17 I'd also suggest that Mr. Ignatov is not just some
18 person. There's a difference between him and his knowledge and
19 its relevance and Mr. Hatley who was an individual who had no
20 connection to anyone here other than he decided not to buy
21 OneCoin because he went on the internet.

22 Mr. Folly spent a long time on direct and your Honor
23 overruled my objections asking questions to the effect of you
24 learned that later or he -- the witness would answer unprompted
25 later I learned that. And I want to establish that he actually

JB69SCO4

Ignatov - Cross

1 learned this very late in the game. And I think one of our
2 arguments probably will be that the witness has overstated his
3 own culpability and the timeframe when he actually learned the
4 problems with OneCoin. And I think that does go to his
5 credibility and how much weight the jury should give.

6 THE COURT: And I think it's perfectly appropriate
7 cross. It's also within the scope of direct examination.

8 MR. FOLLY: If that's the case the government should
9 be entitled to revisit what evidence it can put in about what
10 other conclusions other people reached about OneCoin and how
11 quickly they reached them and it's the same -- it's the inverse
12 of Mr. Hatley testifying that he did his own research, saw what
13 he saw and concluded that it was a fraud scheme.

14 THE COURT: Can I ask a question.

15 MR. FOLLY: Yes.

16 THE COURT: Is this going to be your only cooperator?

17 MR. FOLLY: Yes.

18 THE COURT: I don't see how asking this cooperator who
19 was inside the C suite for a significant amount of time what he
20 knew and when he knew it opens up the door for the government
21 to say: Well, look at all this other stuff that was in the
22 ethernet concerning the bona fides of this corporation.

23 MR. FOLLY: But the issue on trial, your Honor, is
24 Mr. Scott's knowledge. It is not the knowledge of Konstantin
25 Ignatov.

JB69SCO4

Ignatov - Cross

1 THE COURT: But the purposes that Mr. Devlin-Brown
2 just articulated are perfectly appropriate areas for
3 cross-examination.

4 MR. FOLLY: And that's what -- your Honor I apologize
5 for interrupting.

6 THE COURT: But the fact that he may have overstated
7 the extent of his knowledge or when he learned certain things
8 and the fact that how the organization was run is between the
9 people that worked in the organization.

10 MR. FOLLY: Your Honor, and we agree with that. And
11 that's why we resisted to making the objection until now. It
12 seems at this point, spending this much time on it, the
13 argument Mr. Devlin-Brown really wants to make at closing is
14 this: Look at Mr. Ignatov and what he knew and then compare
15 that to Mr. Scott. If your Honor is saying that won't be a
16 permissible argument --

17 THE COURT: I'm not saying -- in fact, I don't see why
18 it isn't a permissible argument but we don't have to discuss
19 that now.

20 MR. FOLLY: We'd like to raise that again later in
21 this trial.

22 THE COURT: Sure.

23 MR. DEVLIN-BROWN: OK. I'm going to have forgotten my
24 question again.

25 (Continued on next page)

JB69SCO4

Ignatov - Cross

1 (In open court)

2 THE COURT: Mr. Devlin-Brown.

3 MR. DEVLIN-BROWN: Apparently there was no question
4 pending.

5 THE COURT: Then you may proceed.

6 Q. I think where we left things, Mr. Ignatov, was you recalled
7 a meeting in May of 2018 with Irina when she had been drinking
8 where she said that OneCoin had distributed more coins than
9 were mined, right?

10 A. Yes.

11 Q. And she said that they sold people air to you?

12 A. Yes.

13 Q. Now, I believe you testified on direct that your mother
14 still works at OneCoin, right?

15 A. Yes.

16 Q. And that she still believes there's a blockchain as far as
17 you know?

18 A. I have no contact to my mother since very -- some time. So
19 I don't know what she believes or not. But I recall telling
20 her before I got arrested that some serious things are going on
21 and there's the reason why all these rumors are on the internet
22 and people are -- authorities are investigating us.

23 MR. DEVLIN-BROWN: OK. I'm going to move on for the
24 moment, your Honor. Sorry.

25 Q. Mr. Ignatov, you've pled guilty to a number of crimes,

JB69SCO4

Ignatov - Cross

1 right?

2 A. Yes.

3 Q. And I believe you testified on direct you've pled guilty
4 because you are guilty?

5 A. Yes.

6 Q. How long have you been at the MCC, Mr. Ignatov?

7 A. Tomorrow it will be seven months at the MCC but I got
8 arrested one month before.

9 Q. And you have access to e-mail at the MCC?

10 A. Yes.

11 Q. They set that up so you can e-mail people on the outside
12 essentially?

13 A. Yes.

14 Q. And you've been e-mailing with friends and family members
15 from outside of the MCC, right?

16 A. Yes.

17 Q. You've often been e-mailing them in Bulgarian?

18 A. Yes.

19 Q. And one of the people you've e-mailed is named Jani Torkov.
20 Do you know that name?

21 A. Yes.

22 Q. He is someone you've become friends with?

23 A. Yes.

24 Q. And another person is Kristina Gouneva, right?

25 A. Yes.

JB69SCO4

Ignatov - Cross

1 Q. And that's your girlfriend?

2 A. My fiancée, yes.

3 Q. As well as your mother you've e-mailed Veska Ignatova,
4 right?

5 A. Yes.

6 Q. Now, isn't it true, Mr. Ignatov, that you have e-mailed
7 your mother from the MCC that you are innocent?

8 A. I told everybody from my friends and my family that I'm
9 innocent in the beginning.

10 Q. So that includes your mother?

11 A. Yes. I told her.

12 Q. And you've also e-mailed your girlfriend from the MCC to
13 say that you were innocent?

14 A. Yes.

15 Q. And you've also e-mailed Jani Torkov from the MCC to say
16 that you were innocent?

17 A. Yes.

18 Q. So when you were first arrested you tried to get bail, I
19 believe, as was discussed during your direct examination,
20 right?

21 A. Yes.

22 Q. And that was unsuccessful?

23 A. Yes.

24 Q. You had I believe a number of people write letters on your
25 behalf to support bail, right?

JB69SCO4

Ignatov - Cross

1 A. I was told to, yes. But I did not read them.

2 Q. You didn't read the letters submitted for your bail?

3 A. No.

4 Q. Well you knew that your lawyer was proposing a large
5 multimillion dollar bond for your bail, right?

6 A. I heard about it but I did not read the bail application.

7 Q. Where were you going to get the money for that bond?

8 A. My girlfriend is very successful lawyer in Bulgaria and she
9 knows a lot of people that I know, other people that know that
10 I would never run and therefore they would guarantee this
11 money.

12 And I have some friends in USA that have some
13 businesses here that I know from my grappling, this is kind of
14 martial arts, and they would grant their properties for me.

15 Q. And so your testimony is none of that bail was going to
16 come from OneCoin money?

17 A. Yes.

18 Q. Even though your mother was proposing to sign your bond?

19 A. I don't know if she signed it.

20 Q. Well you ultimately weren't released on bail, right?

21 A. Excuse me.

22 Q. You were not released on bail?

23 A. I was not released on bail.

24 Q. And when you were arrested the government discovered you
25 had a power of attorney from Ruja Ignatova, right?

JB69SCO4

Ignatov - Cross

1 A. Yes.

2 Q. And a power of attorney is something that gives you rights
3 to do things that Ruja Ignatova previously had rights to do or
4 in addition to what rights she has, right?

5 A. Well this power of attorney was given to me by Irina
6 Dilkinska and I'm not sure if this is real. She told me that
7 she got it via chain of people, that Ruja gave it to her. But
8 later on I learned that Irina Dilkinska is trying to get our
9 fake power of attorney to Ruja's money.

10 So I don't know if this is a real power of attorney
11 and I never used it.

12 Q. So you believe Irina made a fake power of attorney?

13 A. She did it before.

14 Q. When did she do it before?

15 A. She did it, I don't know exactly the month, but I was told
16 that she did it to get the money from Amer Abdulaziz.

17 THE COURT: Mr. Devlin-Brown, it's 2:30 so I'm going
18 to stop now.

19 Ladies and gentlemen, we will resume tomorrow morning
20 at 9:30 so please be here on time. Do not discuss the case and
21 please do dress warmly tomorrow.

22 (Jury not present)

23 THE COURT: Mr. Ignatov can step down.

24 (Witness excused)

25 THE COURT: Anything that you want to discuss now?

JB69SCO4

Ignatov - Cross

1 MR. FOLLY: No, your Honor.

2 THE COURT: OK. We'll see you tomorrow at 9.

3 MR. DEVLIN-BROWN: Thank you.

4 (Adjourned to November 7, 2019 at 9 a.m.)

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INDEX OF EXAMINATION

Examination of:	Page
-----------------	------

KONSTANTIN IGNATOV	
--------------------	--

Direct By Mr. Folly	200
-------------------------------	-----

Cross By Mr. Devlin-Brown	300
-------------------------------------	-----

GOVERNMENT EXHIBITS

Exhibit No.	Received
-------------	----------

901	210
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4102, 2115, 2114, 2004	214
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118	218
---------------	-----

120	219
---------------	-----

123 and 124	238
-----------------------	-----

62	244
--------------	-----

132	255
---------------	-----

127	292
---------------	-----